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Mitsotakis States Readiness To Improve Relations

AU1302185693 Tirana Radio Tirana Network in Albanian 1430 GMT 13 Feb 93

[Text] The Council of Ministers spokesman reports that Prime Minister Aleksander Meksi received a letter from his Greek counterpart Konstandinos Mitsotakis. The letter expressed the readiness of the Greek Government to improve bilateral relations. The letter urges expeditious establishment of the joint Greek-Albanian commission that will stimulate bilateral relations through a series of agreements on issues such as illegal emigration, customs cooperation, double taxation, and extradition.

The letter stresses that signing these agreements will improv. Greek-Albanian relations and will support a structure to deal with the movement and employment of Albanians in Greece.

Berisha, Officials Meet French Trade Association

AU1202163093 Tirana ATA in English 1123 GMT 12 Feb 93

[Text] Tirana, February 12 (ATA)—In the framework of the development of French-Albanian relations, a delegation of ADEIFA visited Albania recently. Leader of the delegation is the deputy president of this association Mrs. Rosemarie Moulin. This association was founded in 1992 and its goal is to facilitate and promote the industrial and trade exchange among different French and Albanian partners and establish stable economic relations between France and Albania.

In Tirana, this delegation met with President Sali Berisha. The Albanian president hailed the initiative of the leaders of the association and encouraged them to promote this enterprise.

Upon the request of the French industrialists and investors, the members of the delegation contacted senior officials at the Ministry of Agriculture, the Ministry of Industry, Mining, and Energy Resources, the Ministry of Foreign Trade and Economic Relations, of the Ministry of Tourism, Transportation, the Economy and Finances, and the officials on the Central Bank of Albania and the Tirana Municipality.

ADEIFA, which is a correspondent member of the Albanian Chamber of Commerce in Paris, will develop a close cooperation with it and will have its permanent representative in Tirana. This association provides qualification courses for the students on the Tirana University of Agriculture on the farms of France.

Berisha Receives Bulgarian President

AU1302172493 Tirana Radio Tirana Network in Albanian 1430 GMT 12 Feb 93

[Report by Zamira Koleci

[Text] Bulgarian President Zhelyu Zhelev arrived this morning in Tirana. He was invited for an official visit by President Sali Berisha. The reception ceremony was held at Rinas Airport, where the Bulgarian plane brought Zhelev, his wife, and other personalities constituting the most high-level delegation to visit Albania.

Greeting each other cordially, Berisha and Zhelev expressed high regard for the new relations between the two countries and the feelings of Albanians and Bulgarians for each other.

[Begin Berisha recording] It is a special pleasure for me to meet you here. We have met several times, but this meeting here is of course the most cordial and meaningful. I am convinced that this visit will mark a new stage in the friendly relations between our two countries and peoples. This will serve to expand peace and stability in our region. [end recording]

[Begin Zhelev recording with superimposed translation in Albanian] Thank you, Mr. President. I also think that this visit will mark the start of a new period in the relations between our two countries. I am happy that we will sign a new agreement that will annul the previous one of 1947. Many years have passed since that time, many events have happened, and this makes a new agreement necessary that will reflect the new relations between our two countries and the feelings of Bulgarians and Albanians for each other. [end recording]

Accompanied by Berisha, Zhelev reviewed the honor guards. After greeting other Albanian personalities that were at the airport to see him, followed by the diplomatic corps and representatives of international organizations in Albania, they left for Tirana.

Talks will be held at the president's office in the afternoon. Zhelev will later greet the Albanian parliament.

The Bulgarian delegation will stay until Sunday [14 February] morning.

Discuss Cooperation Options

AU1302175093 Tirana Radio Tirana Network in Albanian 1830 GMT 12 Feb 93

[Text] The president's press and information office reports that in the meeting held with Bulgarian President Zhelev, after thanking Zhelev for the visit, Berisha stressed that signing the treaty of friendship and cooperation between the two countries is a very important act and an expression of the good will that exists between both countries. This is a positive step not only in bilateral relations, but also in the region.

Zhelev stressed the importance of this moment in the course of bilateral relations. He expressed his respect for President Berisha and the realistic and sincere tone of the talks.

The talks later concentrated on the specific opportunities that both countries can offer each other, especially in transport, port construction, the Skopje-Sofia-Durres highway, railways, telecommunications, considered very

important with the optic cable that will pass through the Balkan Peninsula, educational exchange, and visa liberalization, mainly for our businessmen, because the free initiative requires free movement.

Berisha asked Zhelev to mediate with democratic Russian representatives to extend the gas pipline from Oher to Durres.

Zhelev stressed that this problem depends on the Russians, but he promised to talk with President Yeltsin on this and said that he thinks that Yeltsin will show understanding in this regard.

Discuss Regional Issues, Relations

AU1302173693 Tirana Radio Tirana Network in Albanian 1830 GMT 12 Feb 93

[Report by Zamira Koleci]

[Excerpt] [passage omitted] The head of the Albanian state received at his office this afternoon Bulgarian President Zhelev. To reporters, Berisha and Zhelev stressed the desire to expand bilateral relations in the new democratic space that both countries are experiencing and spoke of the possibilities of integrating Albania and Bulgaria with the Balkan region. After a half hour of private conversation, delegation talks chaired by the presidents continued. These talks will be followed by signing a treaty of friendship and cooperation on Sunday [14 February].

Berisha said that signing this treaty is an important act that will positively influence the development of bilateral relations and is an expression of the good will supporting developments in the region, especially in the southern region, so as to prevent conflict in former Yugoslavia. Stressing the importance of signing this treaty, Berisha pointed out how the present political climate is different from that of 1947 when the first treaty was signed. The president stressed that both countries came out of the war at that time, but unfortunately entered dictatorships. Now, Bulgaria and Albania are embarking on another stage of free and democratic development. Berisha then said that this treaty will be accompanied by a series of agreements that should have been signed before, but have only been delayed due to sluggishness in the administrative bodies. The friendship and cooperation treaty will be completed in a legal framework and concentrate on the creation of infrastructure, including vehicles, telecommunication, visa facilitation, and other issues.

Zhelev stressed that signing the treaty marks further steps in the efforts that Europe and the United States are making to overcome the gloomy situation in the region. The conflict in the former Yugoslavia will sooner or later be solved and economic, political, and cultural cooperation remains a primary duty to our region.

To the Albanian parliamentarians, Zhelev stressed the friendly ties between both peoples and countries, evoking the traditional connections and the common political experience. He explained in detail and extensively the situation in the former Yugoslavia. After pointing out the grave and difficult situation in Bosnia, he noted the danger of further conflict in the south and in other areas. In his speech, Zhelev supported the unconditioned right for self-determination up to detachment, stressing that Bulgaria has been among the first to recognize the former Yugoslav Republics.

Zhelev was also of the opinion that if the United Nations intervenes militarily in the former Yugoslavia, Bulgaria will not send troops so as not to consider this action to be a settling of accounts. Zhelev stressed that this position should also be maintained by other regional states.

Berisha hosted a dinner at the Palace of Brigades tonight to honor the Bulgarian friends led by Zhelev.

Zhelev Addresses Parliament on Yugoslav Conflict

AU1202212693 Sofia BTA in English 2101 GMT 12 Feb 93

[Report by Evgeniya Manolova]

[Text] Tirana, February 12 (BTA)—The development of Bulgarian-Albanian relations as a factor for strengthening the stability in the Balkans is in the highlights of President Zhelyu Zhelev's visit to Tirana, which began today. This is the first visit by a Bulgarian head of state in the last thirty years. President Zhelev said on his arrival that the purpose of the visit was the signing of a new treaty of friendship and cooperation that would be in line with the present historical, political and economic realities and would replace the old treaty dating back to 1947.

The visit should open a possibility for a better development of bilateral relations, Albania's President Sali Berisha said at the beginning of the first tete-a-tete meeting with Dr. Zhelev. There is nothing to hinder the promotion of our contacts, the Albanian president underlined. The two countries have every possibility for cooperation and integration and for creating a climate of all-Balkan cooperation in the region.

The talks which the two presidents had and, later on, those between the Bulgarian and the Albanian delegations, concentrated on the situation in the Balkans. It was the focus of President Zhelyu Zhelev's speech delivered at an extraordinary sitting of the Albanian parliament convened in honour of the Bulgarian guest.

A barbaric and insane war is being waged in the immediate proximity of our borders—a challenge to the conscience of Europe and the civilized world, President Zhelev said. Unfortunately, the international public turned out to be unprepared for ending efficiently the bloodshed in Bosnia and Hercegovina and Croatia on time. Now we are faced with a dilemma that involves much more complicated ways of settling the conflict, the Bulgarian president said.

Dr. Zhelev emphasized international efforts for the localization and ending of the conflict in the former Yugoslavia and, in particular, the initiative of the new U.S. administration. Many of its components are in unison with the concern of former Yugoslavia's neighbour-countries that are immediately threatened and put to the test by the crisis, he said. We are convinced in the principled impermissibility to change by force internationally recognized borders and in the criminal nature of any policy aimed at ethnic cleaning, President Zhelev said.

The Bulgarian president reminded of Bulgaria's principled policy pursued with regard to the Balkans. What he meant is the unconditional recognition of every nation's right to self-determination to the degree of establishing its own independent sovereign state, as well as Bulgaria's decision not to participate in any military peace-keeping operations in the former Yugoslavia mandated by the United Nations. We believe that the other Balkan countries and Yugoslavia's neighbours should adhere to the same position, Dr. Zhelev said.

During their talks, the experts of the Ministry of Industry, of Transport and of the Committee of Posts and Telecommunications, included in the Bulgarian delegation, laid stress on the expansion of economic cooperation in these particular fields.

The unsettled clearing payments between Bulgaria and Albania are also to be discussed. The 1990 balances have not been specified yet. During the present visit arrangements will be made for a meeting of officials of the Bulgarian National Bank and the Albanian central bank to specify the balances and offer ways of settling payments.

Addresses Deputies on Regional Crisis

AU1302181393 Tirana ATA in English 0928 GMT 13 Feb 93

[Report on speech by Bulgarian President Zhelyu Zhelev to the People's Assembly in Tirana on 12 February]

[Text] Tirana, February 13 (ATA)—[Passage indistinct] The bitter 50 year experiences after the Second World War make us understand better the positions where we are.

We are following with attention and concern the war in Bosnia-Hercegovina and the Serbian barbarism, which reminds one of those of Hitler. The flames of this war may spread in the south, in Kosovo and Macedonia, threatening peace in the Balkans or Europe. With determination, the international community may and should solve this question in the best way, based on the universally accepted principles.

Mr. President, I wish that the relations between our two countries have a more fruitful development.

Further as the president of the Republic of Bulgaria took the floor. He said among others: The new realities in Albania were determined to a great extent by common principles and stands, which we accepted on the road towards democracy, civilized society, and the market economy, ideals and values which unite all the European peoples. For centuries our peoples communicate as neighbours, as friends. The dark years of totalitarianism could not darken the marked moments in our common past. I am convinced that our relations have a promising future.

My first visit to the Republic of Albania is, as far as I remember, the visit of the first Bulgarian state leader during the last 30 years and it is taking place while worrying events are occurring in the Balkans. In direct distance near our borders, a barbarous and unreasonable war is continuing. It is a provocation to the conscience of Europe and the conscience of the civilized world. Unfortunately, for the moment being, international society proved to be unprepared to stop in time and efficiently the bloodshed in Bosnia-Hercegovina and in Croatia. It now stands before the dilemma which offers more complex ways for its solution. The crisis in former Yugoslavia goes beyond regional proportions not only because of the bitter historical experience due to the escalation of Balkan conflicts. The destruction of the communist system became a prelude for the creation of a modern contemporary world. At the same time premises were created to open Pandora's box, full of national egoism, ethnic enmities, religious irreconcilability.

In this context, the destructions of Sarajevo were a warning for calamities, war, misery, and sufferings, which may be repeated in other countries as well, especially within the borders of the former Soviet Union. Here, too, I would like to refer to the far-sightedness of those world leaders who put themselves the rhetoric questions: "Where Can Democracy Be Sown and Grown."

Democratic and civilized relations, harmonious coexistence among various ethnic groups and various religions, the value of international judicial norms and their observation, all these are premises and conditions for the affirmation of freedom and humanism. In this context, I would like to mention the international efforts to limit and stop the conflict in former Yugoslavia and in particular the latest initiative of the democratic administration of the United States of America. Many of its component are in unison with the worries of the neighbouring states of Yugoslavia, for which the crisis is a direct danger and a great test. We are against the violent changing of the internationally accepted borders and the inspirers of it should bear their responsibility. The experience of the U.S. special envoy Mr. R. Bartholomew from Lebanon will all means be useful to the new mission. The situation in former Yugoslavia is threatening to become similar to that of Lebanon. The sufferings, destructions, and the tragedy of the refugees from Bosnia-Hercegovina may be repeated and even in greater proportions if Kosovo and Macedonia are involved. World society is ever clearly realising that such a development of events may lead to the involvement in the conflict of other Balkan states against their will.

Led by their national interests and its objective towards peace and security in the Balkans, Bulgaria supports unconditionally the recognition of the right for self-determination of every nation up to the creation of its independent state. To this end on January 15, 1992, the Republic of Bulgaria recognized at the same time four former Yugoslav Republics, Slovenia, Croatia, Bosnia-Hercegovina, and Macedonia. We refused to exploit at any level the inner situation in Yugoslavia which is under destruction. We think that in this way we make our greater contribution to peace and stability in the Balkans.

I would like to also explain another important element regarding our stand towards the crisis. If military operations and operation for the establishment of peace under the mandate of the United Nations will be carried out, the Republic of Bulgaria will not take part neither with the Army nor with armaments, because as a neighbouring country, it leaves room for doubts as if it likes or is interested to settle gold accounts. We are of the opinion that this stands also for other Balkan neighbouring countries with former Yugoslavia. We unconditionally observe the international economic sanctions imposed by the UN Security Council, but at the same time we think that the countries who suffer more from this embargo should be given the proper compensation in time.

At the end the Bulgarian president said: I would like to stress that by developing friendly relations between each other, Bulgaria and Albania not only have a mutual benefit but they help their development. The good and friendly relations between the two Balkan states are also a supplementary contribution to the stability in the region, as part and parcel of the European continent. It is not by chance that recently our relations came out of the period of misery and alienation inherited from the past. Hence, the juridical basis of cooperation in various fields has started and this is proved by over 20 documents.

Meksi, Zhelev Discuss Economic Issues

AU1302173893 Sofia Khorizont Radio Network in Bulgarian 1400 GMT 13 Feb 93

[Text] In Tirana today President Zhelyu Zhelev, who is on an official visit to Albania, had a meeting with Albanian Prime Minister Aleksander Meksi. The chief subjects discussed during their talks were issues relating to bilateral economic relations, ways to expand commercial relations, and questions connected with creating an east-west transport corridor through the Balkans.

Our special correspondent Martin Minkov reports that the two leaders also discussed problems relating to improving telecommunications links, developing tourism, and protecting the environment.

Discuss Cooperation, Reform

AU1302181793 Tirana Radio Tirana Network in Albanian 1430 GMT 13 Feb 93

[Report by Zamira Koleci]

[Text] On the second day of his visit to Tirana, Bulgarian President Zhelyu Zhelev was received by the head of the Albanian Government, Aleksander Meksi. The talks concentrated on the most fruitful economic cooperation between both countries and the most powerful connections within our region. Meksi and Zhelev stressed that under the present situation, as Albania and Bulgaria are experiencing a period of transition to the market economy, it is necessary to further develop democracy, which means free movement, markets, and economies according to the West European model. The meeting stressed that to achieve this goal, there is no other alternative besides the gradual elimination of state borders and the free movement of ideas and capital. The quicker we attain these, the better for every Balkan country.

By expanding this argument, Meksi stressed that the Balkans should constitute a region in the future Europe characterized by peace and understanding. Profiting from their positions, Albania and Bulgaria have opportunities to mutually develop their free economies, including investments. Meksi stressed that Bulgaria, within its legal framework, can facilitate the activities of Albanian businessmen and traders.

The Bulgarian president said that his country has great opportunities for bilateral cooperation and can offer help to Albanian infrastructure, especially in regard to exploiting water resources, port construction, and other issues. Zhelev stressed that on all these subjects, it is necessary to communicate between Albania and Bulgaria at the state level.

Another topic was economic reform, the way it is being carried out in both countries, and its results.

After assessing 1993 as decisive for the reform in Albania, Meksi said that the government and the political forces supporting it have expressed their determination to make it succeed.

Meksi also threw out the idea of creating a joint Bulgarian-Albanian commission for economic relations, which will implement bilateral goals and objectives. He acquainted Zhelev with the investments that are expected to begin in Albania, such as in the construction of the Durres-Oher road and the Port of Durres.

After the meeting, the Bulgarian delegation left for a visit to the museum city of Berat. Zhelev is accompanied by Council of Ministers Deputy Chairman Rexhep Uka and other Albanian dignitaries.

Zhelev is expected to meet with representatives of the intelligentsia in the afternoon.

Zhelev Urges Free Movement Across Borders

AU1302210893 Sofia BTA in English 1958 GMT 13 Feb 93

[Report by special correspondent Evgeniya Manolova]

[Text] Tirana, February 13 (BTA)—During the second day of his official visit to Tirana, President Zhelyu Zhelev conferred with the Albanian prime minister, Mr. Aleksander Meksi.

The Bulgarian president stressed that the Balkan states face one single alternative and that is to follow the example of West Europe: gradual removal of borders and free movement of people, capital and ideas. The good relations between Bulgaria and Albania should make this process easier, the Bulgarian head of state emphasized.

President Zhelev's talks with the Albanian prime minister focused on general Balkan problems and some specific projects in Bulgarian-Albanian economic cooperation. The two countries' positions on the Yugoslav conflict are quite alike and, on certain points, they are even identical, the spokesman for the Bulgarian president reported after today's talks.

The construction of a motorway between the Black and Adriatic Seas via Bulgaria, Macedonia, and Albania and the passage of an optical communication line between Sofia and Tirana were in the highlights of today's economic talks. These projects will be financed by the European Bank for Reconstruction and Development. On the problem of the 1990 bilateral trade balance, which should be estimated first before it is offset, the sides agreed that a team of Albanian bank experts will arrive in Sofia soon and hold expert-level talks with their Bulgarian colleagues.

In the evening, President Zhelyu Zhelev met with intellectuals and representatives of the Albanian business circles. The Bulgarian-Albanian friendship and cooperation treaty will be signed tomorrow morning.

Signs Friendship Treaty, Ends Visit

AU1502094293 Tirana ATA in English 0910 GMT 15 Feb 93

[Text] Tirana, February 15 (ATA)—A treaty of friendship and cooperation between Albania and Bulgaria was signed on Feb. 14 in Tirana. According to the Albanian official sources, the treaty embodies mutual interests of the two countries and peoples and supports the goals of the principles of the UN Charter, Helsinki Final Act and Paris Charter "For a New Europe." This treaty was considered as a new step, which will favour bilateral relations in all fields, including economy, investments and capital, free trade, tourism, infrastructure, the support of the new businessmen, the creation of joint ventures, communications and telecommunications, education etc. "This treaty constitutes a powerful legal basis for friendship and cooperation between our two countries. We are determined to follow a policy of undertstanding and integration in the region, according to the will of our two peoples, and help prevent conflict in the Balkan region," the president of Albania, Sali Berisha said.

In the statement made in his seat, on the occasion of the signing of the treaty, Mr. Berisha assessed: "We share the same views with the Bulgarian party regarding the conflict in the region and the ways to solve it." The Bulgarian president, Mr. Zhelev, also expressed himself in favour of this understanding. He agreed with Mr. Berisha's evaluation and support of the six point plan presented by President Clinton's administration regarding the prevention of conflict in the region. As regards the crisis in the region, President Berisha considered as encouraging the good climate created of late by the Greek and Macedonian relations, reaffirning that the solution to the Macedonian problem will help avoid the conflict in the south of the Balkans.

President Zhelev, expressing his optimism about the signing of the new treaty, said: "This treaty not only affirms the fresh realities, but also opens vast perspectives for their full realization."

Regarding the importance the signing of the treaty has for the countries of the region, Mr. Zhelev said: "This treaty, which increases cooperation and relation between Albania and Bulgaria, will at the same time create favourable conditions for better relations among the other countries of the region to the benefit of peace, progress and regional integration. We will create the new climate without taking into account the crisis in the region, which will soon end."

On Feb. 15, before noon, the president of Bulgaria, Zhelyu Zhelev, left Albania.

Commentary Views General Panic's Visit to Kosovo

AU1502095993 Tirana ATA in English 0926 GMT 15 Feb 93

[Unattributed commentary]

[Text] Tirana, February 15 (ATA)—Recently General Zhivota Panic, commander of the General Staff of the Serb military forces, visited Kosovo.

The visits of the Serb high ranking military in Kosovo are not something new. They take place very often and the Serb military inspect every day their units established far and wide Kosovo. [sentence as received] This visit of the chief of the Belgrade military staff in Kosovo, right after the visit of Nedeljo Bashkovic, chief of the Army secret services, indicates that it is not about a routine visit. It takes place in the context of a special mission Belgrade charged with its most fanatic executors. As reported, Bashkov warned his subordinates that "The Albanians are preparing to exert terror and diversion." This cynicism was completed by Panic, chief of the Serb espionage, who threw light on the fact that the

Serb chauvinists are preparing for new battles. The Serb general visited Pristina, Peja and Viti. He attended the military manoeuvres conducted on the occasion and cynically declared that the Serb units are ready to perform the tasks at any moment. All this testifies to a dangerous situation with grave consequences not only for the undefended Albanians of Kosovo but broader. [sentence as received] There is a great and constant demilitarization in Kosovo which is accompanied by a frenzied terroristic activity of the military and paramilitary gangs which are zealously implementing the policy of ethnic cleansing. In this context the mission of Panic and Bashkovic is intended to promote this barbarism.

Zhulali Comments on Reform Goals, Balkan Strife

AU1402155293 Budapest REFORM in Hungarian 11 Feb 93 p 10

[Interview with Albanian Defense Minister Safet Zhulali by Mat; place and date not given: "We Envision A Hungarian Way"]

[Text] [Mat] What will the Albanian Army be like?

[Zhulali] The self-isolation of the past 50 years had the most tragic effect on the Army. Although this mad political process focused on the Army, it also disrupted it. We want a new army, a small but effective force. We can envision a development similar to the Hungarian way, and that is why I am here. We will reduce the time of compulsory military service from 27 months to 15 months, and later to 12 months. We will educate and train real soldiers during this time. Today, our soldiers are dispersed and living under the open sky. I do not have to tell you what this means for their health. We want to bring them into barracks to avoid the useless hardships. We came to you to study your experience and to learn about the rights of soldiers, their health care, education, and economic benefits. In addition, we would like to send a few of our soldiers to study here in Hungary.

[Mat] How does the war in Serbia affect you?

[Zhulali] We are neighbors. There are three million Albanians living under the orthodox communist oppression led by Milosevic. He is also an enemy of his own people. Our brothers there are suffering a lot. Today, our unarmed brothers are facing 60,000 armed oppressors, and there are also the Chetniks, whose cruelty is well known. We believe in dialogue and we do not want a conflict. Our defense forces are still weak today and we cannot think of adventurous actions. We will defend our country, however, with the all of the modest forces at our disposal. We can expect a wave of refugees. We will let them in and we will fire at their pursuers if they cross our borders. We want to avoid armed conflict by relying on publicity, and we would like to guarantee a piece of bread to refugees with the help of the rest of the world, despite the fact that we are also poor. Please write that genocide is going on in our neighborhood!

[Mat] Last time you had a Hungarian queen....

[Zhulali] That is true, but no one wants the monarchy back, although one of its children, Leka, is conducting a big campaign in favor of the monarchy. That it is in vain. Albania will be a democratic republic. As for our two countries, we would like to increase our bilateral cooperation with Hungary. We want to return every assistance. We have great opportunities, and we would like to implement them.

Nation Supports Embargo To Solve Balkan Conflict

AU1502095793 Tirana ATA in English 0918 GMT 15 Feb 93

[Text] Tirana, February 15 (ATA)—Despite the losses of the poor economy of Albania, it values the embargo as a means to step up the solution of the conflict in former Yugoslavia, the final report of the information mission of the European Community and CSCE on the three day visit to Albania says among the other things. This mission appreciates the cordial reception by all the Albanian authorities, the understanding and agreement with them. It was declared to establish a sanction and aid mission in Albania .

The mission met with diplomats, specialists of the Ministry of Economy and Finances and the General Customs Department. It also visited the customs of Shkoder and Durres sea port and got acquainted with the practice of delivery of goods.

Zhelev, Ozal Urge Intervention in Balkans

AU1502212193 Sofia BTA in English 2053 GMT 15 Feb 93

[Report by Iva Toncheva]

[Text] Sofia, February 15 (BTA)—"We believe that the European structures, united Europe, the Euro-Atlantic community and the United Nations should intervene more decisively and more seriously for the settlement of the Balkan conflict," Bulgarian President Zhelyu Zhelev said after his meeting with Turkish President Turgut Ozal this evening. President Ozal arrived here today on an official visit which is part of his Balkan tour, including Bulgaria, Macedonia, Albania, and Croatia.

Zhelyu Zhelev and Turgut Ozal had a one-hour private conversation this evening. Later on the two delegations held talks. The sides focused on the situation in the Balkans, the two countries' views on the Balkan conflict, bilateral relations and Black Sea economic cooperation.

"Our views on the Balkan conflict are very close, almost identical," President Zhelev told the press after the talks. President Zhelev pointed out that both countries are in favour of a more decisive intervention by the European structures and the United Nations for the settlement of the Balkan conflict, and praised the position taken by the new U.S. Administration which, in his view, is an enormous step forward. "We also believe that Russia should be more active in the international effort to stop the conflict," said Dr. Zhelev, adding that the two countries would do their best in this direction.

Zhelyu Zhelev pointed out one more shared view: Bulgaria and Turkey believe that Macedonia should become a full member of the United Nations. In their statements Mr. Zhelev and Mr. Ozal recalled that Bulgaria and Turkey gave recognition to the four former Yugoslav republics at the same time.

The sides also share the view that the conflict should by all means be prevented from spreading into Kosovo, Sandzak and Macedonia.

"There are certain differences in our views, which, however, do not hamper our joint decisive actions," the Bulgarian president said. He repeated the well-known position that Bulgaria must not get involved in the military actions in the former Yugoslavia—it must not commit either troops or arms, and the other Balkan countries which have a common border with Yugoslavia should also refrain from military intervention which might provoke a Balkan war. "Despite our differences, we are ready to give full moral and political support to Americans, Russians, and all international forces which may decide to resolve the conflict the soonest possible," President Zhelev said. We have not decided on military intervention as a way of settling the conflict, said Mr. Ozal, but if the United Nations takes such a decision, Turkey will support its efforts, in this respect our views are identical. President Ozal added that bilateral consultations will continue.

As to economic cooperation, Bulgaria and Turkey should sign as soon as possible agreements on the avoidance of double taxation and investment protection, which have already been prepared, according to the two presidents. Also on the agenda was the possibility to facilitate economic contacts through relaxed visa regulations.

"Our bilateral relations develop very well," President Ozal told the press. He elaborated the bright prospects for Black Sea economic cooperation. According to Mr. Ozal, if this cooperation meets expectations, the Black Sea region will make remarkable advance in the next five or six years. The Turkish president stressed that "Bulgaria and Turkey will play a very important role in this respect."

Ozal Meets With Parties

AU1602103793 Sofia Khorizont Radio Network in Bulgarian 1000 GMT 16 Feb 93

[Text] On 16 February the visit of Turkish President Turgut Ozal continued. He met representatives of the National Assembly parliamentary factions.

The first meeting was with representatives of the Union of Democratic Forces [SDS]. After the meeting, which lasted 40 minutes, Filip Dimitrov informed reporters about the topics that were discussed. The expectations for economic development have been expressed. We had a detailed conversation on the future development in all areas, Filip Dimitrov said.

The SDS parliamentary faction, which represents the largest political force in Bulgaria, has expressed its position on economic and political issues, which affects bilateral cooperation and the Balkans as a whole, on the basis of a similarity of the positions. The Turkish side has expressed willingness to expand mutual understanding in the context of the future cooperation in the Black Sea zone. This is what Filip Dimitrov told reporters.

At present the meeting with representatives of the Bulgarian Socialist Party continues. Afterward the parliamentary faction of the Movement for Rights and Freedoms [DPS] will meet with Mr. Ozal.

This morning at the Boyana residence, Turgut Ozal met with Bulgarians of Muslim faith and representatives of the DPS. However, this was a meeting about which we only heard at the parliament's corridors.

Turgut Ozal will also visit the business forum, which opens this afternoon at the People's Palace of Culture.

Army Staff Chief Views Risk of Balkan War

AU1502184793 Sofia ANTENI in Bulgarian No. 6, 10 Feb 93 p 5

[Interview with General Lyuben Petrov, chief of the Army General Staff, by Vikhra Rizova; place and date not given: "I Would Like To Be an Optimist"]

[Text] [Rizova] General, the Balkans, the powder keg of Europe, have become the "hottest spot" on earth. Foreign political experts are predicting dates for the start of a full-scale Balkan war. How do you see the development of events around us?

[Petrov] Unfortunately, we see that the attempts by the security and cooperation structures existing in Europe and the rest of the world for settling the conflict in the former Yugoslavia by peaceful means have so far been unsuccessful. This leads us to an extremely unhappy conclusion, namely that the measures and mechanisms that they are using are not effective enough. We have to bear this conclusion in mind when we decide on the issues concerning our own national security.

The course of the events and the war to the west cannot be predicted, and any forecasts are relative. I would like to be an optimist, and still believe in a peaceful settlement of the conflict.

Nevertheless, let me be more specific. The differing attitudes adopted by the Balkan countries toward this conflict cannot fail to worry our people, the state leadership, and, of course, the General Staff. It is not only my personal opinion that foreign military intervention, particularly the participation of a Balkan country, harbors an immense risk of expanding the conflict, transferring it to the territories of other countries, and provoking—I have to say it, however much I hate to do so—a Balkan war.

[Rizova] Does the interwoven web of old and new geopolitical interests include any changes in our relations with the neighboring states?

[Petrov] There is no doubt that great changes have taken place in our relations with the neighboring states from various aspects. First of all, I would like to stress that the General Staff has worked actively, and is continuing to work actively to develop military cooperation with these states. We have based our work on international treaties and documents. We have sought measures and mechanisms to compensate for the imbalances by openness and cooperation. Only two years ago, our borders with Turkey and Greece constituted a zone of contact for confrontation between the Warsaw Pact and NATO. Now, the situation is radically different.

The measures for building confidence and security and the military contacts between Bulgaria and Turkey were defined in two successive documents: the Sofia document of 1992, and the Edirne document of the same year. This is an important success of mutual interest, one that places us on an equal footing.

Our approach toward our relations with Greece was specific. In December 1992 the chief of the Greek Armed Forces General Staff and I made certain improvements to the existing confidence- and security-building measures and extended their duration. We have also signed a program for 1993 that envisions meetings between generals and officers commanding smaller units.

We also have a plan for cooperation with Romania, and are ready to draft a specific program. Documents are being drafted for cooperation with Macedonia in the area of military organizational development, without any other commitments. We are also ready to establish contacts with our western neighbor [Serbia] following an early peaceful settlement of the present conflict. We continue to support the idea of holding a meeting of the chiefs of general staffs of the Balkan countries.

We have sufficient grounds to be pleased with what we have achieved and to hope that this process will develop and intensify. I have stated on other occasions that we should maintain good relations and contacts with all the neighboring armies and general staffs, on an equal basis and with greater openness and trust.

[Rizova] What can the chief of General Staff tell our readers? Can they leave it to the military alone to worry about a possible war?

[Petrov] Let us leave it to your readers to determine their own responsibilities, according to the place that they occupy in society, and to decide to what extent they should be alarmed at the risk of a possible war.

I can only assure them that the military accepts its own responsibility, both in the diplomatic field and in military organizational development. We are doing everything possible and necessary to maintain the readiness, morale, and psychological stability of our personnel at a level that guarantees the defense of territorial integrity and sovereignty.

Furthermore, I would like to remind them that our Army is based on mobilization, and that a considerable portion of the population is liable to be called up if necessary.

[Rizova] So far our Army has passed with distinction its examination as a guarantor of the nation's peaceful transition to democracy. Nevertheless, in view of the frequent changes in the Defense Ministry, are there signs that anyone is developing an appetite to exert control over the Army?

[Petrov] I believe that the people should assess the attitudes of the troops concerning the democratization processes of our society in accordance with their merits. The Army has been established as a nonpartisan nationwide institution, a force for internal stability, and a guarantor of the peaceful transition.

As regards appetites for control over the Army, appetites of a drastic and speculative nature have indeed appeared. The conflict over the different draft versions of the law on defense and the Armed Forces has been

politicized markedly. Many passages in the draft documents have whetted the appetites, so to speak, of the political forces. I will mention merely one or two of them.

Resistance has been particularly fierce to the General Staff's demand that the law contain a clause stating that the Bulgarian Army cannot be assigned tasks of an internal political nature. The interesting point here is that now, when the situation has changed, the former opponents of this clause have become its defenders.

A draft version of the law was proposed in which the different armed services were to be put under the control of the defense minister. The defense minister was assigned powers that made him commander of the Bulgarian Army, while the General Staff was assigned the management role of assisting the minister in his operational leadership of the Bulgarian Army.

Some people simply do not want to understand that many years are needed to acquire the knowledge and develop the skills needed to lead and command the troops.

[Rizova] You have established the very important practice of publicizing incidents that occur in the Armed Forces. Are there any problems that you would like to share with the general public?

[Petrov] Rather than problems, I will share certain views with you. Unfortunately, incidents and breaches of discipline have been part of the Army's experience since the day it was formed. The Army is part of society, and everything that occurs in society is reflected in the Army. We should not close our eyes to the fact that incidents that damage prestige, human dignity, and human rights also occur in the schools and on the streets. How then can we protect the Army from this? This does not imply an attitude of resignation on our part. Quite the contrary, we have continuously sought ways to combat these phenomena. I am convinced that success in this campaign can only be achieved by the combined efforts of all Bulgarians.

A further important point it this: Over the years we have heard numerous strong statements about eradicating bullying and violent incidents, and so on. One has to realize that this is a process. We have to work on this steadily and continuously. I personally believe that we need cadres of psychologists, sociologists, and pedagogues to assist the commanders in this field. All this requires time. Nevertheless, I remain an optimist and believe that positive changes will take place.

General Staff Chief Petrov Departs for Ukraine

AU1602092793 Sofia Khorizont Radio Network in Bulgarian 0900 GMT 16 Feb 93

[Text] On 16 February Army General Lyuben Petrov, chief of the Bulgarian Army General staff, departed for Ukraine. Our reporter talked to him at the airport:

[Begin Petrov recording] The goal of the visit is to sign a protocol that regulates the deliveries from Ukraine to Bulgaria and from Bulgaria to Ukraine of assemblies, parts, and other military equipment components spare parts and specifies the lists of those articles. We are taking with us a part of those most necessary components, such as batteries for the various kinds of systems used by the Ukrainian Army. We will take with us from Ukraine the components we need most for our activity.

[Reporter] Do you meant that you will only sign the agreement, and there will be no additional meetings and talks?

[Petrov] The protocol has already been agreed upon. Expert groups of representatives of the Bulgarian and Ukrainian Armies very thoroughly prepared all lists of components, and what remains now is only to sign the protocol. Naturally, certain details must be further clarified, but there is no doubt that the protocol will be signed. It is based on the framework agreement which was signed by the ministers of defense of the two countries. We are interested in such cooperation. [end recording]

NATO Political Committee Invited for Visit

AU1502182393 Sofia BTA in English 1733 GMT 15 Feb 93

[Text] Sofia, February 15 (BTA)—At the suggestion of the minister of defence, the government decided to send an invitation to the NATO secretary general for the organization's political committee to visit Bulgaria this spring.

As a reciprocal measure, the cabinet suspended the visa-free entry accord with Sweden. It suspended, partly or temporarily, such agreements with Denmark, Island, Norway and Finland.

The cabinet rescinded a 1991 decision to abolish scholarships for foreign students and research workers sponsored by political parties or public organizations.

The cabinet proposed to parliament to ratify the documents of the 20th Congress of the World Posts Union held in Washington in 1989.

New Foreign Debt Negotiator Views EC Relations

AU1502182593 Sofia BTA in English 1714 GMT 15 Feb 93

[Text] Sofia, February 15 (BTA)—Eastern Europe's foreign debt problem should be settled in a way not letting it to delay some states' development in the process of creating a European space, according to Mariana Todorova, interviewed by the 168 CHASA weekly. The Brady strategy, which exhausted its potential in Latin America, is hardly suitable for Eastern Europe, she said.

Ms. Todorova was named to lead the Bulgarian delegation at the talks on Bulgaria's foreign debt by Lyuben

Berov's cabinet. Ms. Todorova, economic adviser to President Zhelev, headed the Interdepartmental Debt Management Commission by late 1991, when she quit due to differences with the then Finance Minister Ivan Kostov.

Europe has been taken aback by the historic responsibility to do for Eastern Europe what the U.S. did for the West after World War II, according to Ms. Todorova. With the association agreements, the EC may, in practice, associate individual eastern European countries at different speeds and times. A lack of understanding would turn large debtors to into a backwater, she said.

The lack of adequate EC decisions to speed up the process of formation of a European economic area including all of Europe may create conditions for instability and discredit the EC in the struggle for world economic leadership, Ms. Todorova says.

According to her, only the president of the European Bank for Reconstruction and Development Jacques Attali was thinking of ways to take Eastern Europe into account in restructuring the world economic order.

Ms. Todorova speaks for greater government involvement in the transition to a market economy. "The government's role should be even greater than under socialism, as it then only planned quantities and now it is planning on the country's future and laying the foundations of an up-to-date economic system," she says. According to her, how to manage the winding-up of state-run enterprises is a fundamental problem of the transition to a market economy, and the lack of understanding for this shows "a lack of understanding of the government's role in a changing economy."

Podkrepa Council Issues Demands to Government

AU1602081293 Sofia PODKREPA in Bulgarian 10 Feb 93 pp 1, 3

[Text]

Memorandum to the Government of the Republic of Bulgaria, Adopted by the Confederative Council of the Podkrepa Labor Confederation in Sofia on 8 and 9 February 1993

Having familiarized itself with the program proposed by the Government of the Republic of Bulgaria;

Noting with alarm the increasingly frequent attempts to restore communist and postcommunist structures and institutions that have been condemned by history, and the ambitions of individuals and certain political forces to seek revenge;

Rejecting outright the practice of concluding separate, divisive contracts and agreements outside the framework of the future National Council on Social Cooperation;

Taking into consideration the exceptionally severe economic situation in the country and the real threat to the survival of large social groups as a result of the destructive economic and social policies followed by previous governments;

Bearing in mind the unprecedented crime wave, prevalent corruption, and the sharply reduced readiness of the Armed Forces to repel a possible foreign aggressor, resulting from the negative processes that have developed in the administration of justice, the Army, and police;

Pointing to the fact that, despite vociferous declarations about bringing criminal prosecutions, no unambiguous proof has yet been established of crimes committed by persons connected with the totalitarian communist regime;

Rejecting with outrage the attempts by individuals and certain political forces to exploit the security services and the legal procedures to apply gross political pressure and blackmail through surveillance and eavesdropping, and attempts to fabricate court trials, which in essence constitute a restoration of the former State Security;

Having established with alarm that attempts have been made to foment ethnic and religious enmity and intolerance, bearing in mind the complex situation in the Balkan peninsula and the possible extension of the conflict that has engulfed the republics of the former Yugoslavia;

Strongly protesting against the intensifying pressure, discrimination, and persecution of trade union members and activists of the Podkrepa Labor Confederation on the part of economic leaders from the nomenklatura;

The Confederative Council of the Podkrepa Labor Confederation draws the government's attention to the following demands:

1. The government should order the drafting and publication in the nearest future of substantiated reports on the state of important sectors of Bulgarian society, such as the economy, energy industry, financial sector, transportation, health care, education, science, culture, the Army, police, and other security services.

It is high time for the Bulgarian public to learn the entire truth about the foreign debt, the abuses at the Neftokhim Refinery in Burgas, the ruined military-industrial complex, and the telephone tapping and surveillance of important public figures.

It is high time for the guilty ones to receive their just deserts, irrespective of their positions in the political spectrum, because nothing can justify their crimes.

2. Determined measures should be taken against those who incite and perpetrate acts aimed at fomenting religious and ethnic intolerance and enmity.

To inspire tension when the Balkans are in such a complex situation represents either a concealed form of national betrayal or criminal irresponsibility.

3. One must not permit the restoration of communist and postcommunist structures in any form, or the restoration of nomenclature cadres that have proved their incompetence or irresponsibility, or have committed economic or political crimes.

The Podkrepa Labor Confederation will not permit the restoration of the communist system in Bulgaria in any form whatsoever, and will resist this process by all possible and permissible means.

4. The government and state administration should step up their work in carrying out the commitments assumed in the government program, so that these commitments do not merely remain a collection of good intentions, as has often been the case in the past.

The government should carefully examine the work carried out by ministers, deputy ministers, chiefs of departments, committee chairmen, oblast administrators, and other high administrative officials, and replace them if necessary with competent and responsible administrative cadres. The change can only be carried out by competent and efficient people, not by docile persons who lack initiative.

5. Urgent measures should be taken to stem the unregulated inflow of foreign manpower, especially from the republics of the former Soviet Union. Labor law relations should be regulated in accordance with a procedure coordinated at the level of the National Council for Social Cooperation.

The unregulated employment of foreign citizens at workplaces, against the background of the high unemployment throughout the country and the unresolved social problems, would constitute a betrayal of the workers' interests.

6. Programs should be urgently drafted to provide temporary or permanent employment in regions with a mixed population and in mountain villages, where unemployment has exceeded 80 percent in certain cases.

The state has a supreme duty to guarantee adequate measures for the survival of its subjects. This is a priority task that is far more important than any strategies, tactics, programs, and narrow political interests.

Dailies Comment on Fuel Price Increases

AU1602100193 Sofia BTA in English 0932 GMT 16 Feb 93

[From BTA press review]

[Text] Sofia, February 16 (BTA)—The press comments on the new prices of liquid fuels announced by Deputy Prime Minister Valentin Karabashev on national television last Friday [12 February], which take effect today. On its front and second pages, DEMOKRATSIYA, the daily of the Union of Democratic Forces (SDS), highlights the social impact of the new prices. The paper reports a protest rally against the price rise held in front of the Council of Ministers headquarters yesterday noon. According to the report, police "rudely" dispersed the protesters. Under a headline "Cynicism and Demagogy," DEMOKRATSIYA frontpage comments on what it calls "a fantastic rise" and on Mr. Karabashev's statement yesterday that "this is a normal step by the government." According to an editor's commentary headlined "Price Blow on SDS," "not the Bulgarian economy but narrow group interests are behind the price rise." This is an open political challenge seeking to "unscrupulously advance the interests of corporate oil and liquid fuels importers." Firms like the private company Elpida are profiteering at a our expense, the commentary says. On the second page, DEMOKRATSIYA carries reports from cities nationwide of long queues of cars waiting at petrol stations. The paper dismisses as false a cabinet statement that the rise of fuel prices will spark a mere 4.2 percent rise in the prices of consumer goods.

Under a headline "Cabinet, Trade Unions Split Over New Prices," DUMA, the daily of the Bulgarian Socialist, former Communist, Party, reports yesterday's declaration by the leadership of the Confederation of Independent Trade Unions (KNSB), according to which the Lyuben Berov cabinet has run out of confidence. The paper cites KNSB boss Prof. Krustyu Petkov as saying the new price shock may generate hyperinflation. It quotes Velichka Rangelova, chief of the Price Statistics Department of the National Statistical Institute, who says the price rise may boost inflation yet will cause to gallop. According to 24 CHASA, within a week, milk and yoghurt prices will rise by one lev, the new bread prices will be announced on Thursday, public transport fares nationwide will grow 50 percent, while bus fares in Sofia be maintained at the current level for a month. According to the paper, the Pleven-based Plama Oil Refinery, the second largest in this country after the Burgas-based Neftokhim, will sell petrol 0.20 to 0.40 leva below the government-set price.

Havel Congratulates Kovac on Presidential Election

LD1502164693 Prague Radiozurnal Radio Network in Czech 1600 GMT 16 Feb 93

[Text] Vaclav Havel, president of the Czech Republic, believes that Michal Kovac as the Slovak President will become a guarantor of the peaceful and democratic development of Slovakia and its integration into European institutions.

This is stated in the telegram in which Vaclav Havel congratulates Michal Kovac on his election as the Slovak president. In the telegram, Vaclav Havel reassures the Slovak president that he will do his utmost to continue forging cultural, economic, and social ties between the two republics. President Havel also invited Michal Kovac for an official visit to the Czech Republic. If Vaclav Havel is invited to the inauguration of the Slovak Republic, the presidents of the two successor states of the former federation will meet in Bratislava for the first time, Ladislav Spacek, Vaclav Havel's spokesman, told CTK.

Vaclav Havel said earlier that a visit to Slovakia will be his first foreign trip as president of the Czech Republic.

Ruml Discusses Refugee Situation With Parliament

AU1502135993 Prague CTK in English 1838 GMT 11 Feb 93

[Text] Prague, Feb 11 (CTK)—The Czech Republic will strive for agreement with Austria, Hungary, Poland, and Slovakia on a joint course of action on refugees in case Germany decides to amend its legislation and expel applicants for asylum to neighbouring countries, Czech Interior Minister Jan Ruml said today.

Speaking before the Defence and Security Committee of the Chamber of Deputies of the Czech parliament, Ruml said his ministry is preparing measures to protect the Czech-Slovak border.

He said that the Czech Republic may introduce visas for citizens from some states of the former Soviet Union.

He stressed that legislation on tourism, refugees and foreigners' stay, which was inherited from the former Czechoslovak Federation, will have to be adapted to the new situation.

Ruml said it is difficult to return foreigners-perpetrators of criminal offences to their countries. This problem must be tackled internationally so that Europe be passable not only westwards, but also eastwards for those who do not meet the conditions set for obtaining refugee status.

Ruml's first deputy, Jaroslav Kopriva, said that by the end of 1992, as many as 5,500 persons went through Czech refugee camps. Some 4,400 of them applied for refugee status which was awarded to 800 people. Temporary refuge was provided for about 2,000 persons, Bosnian Moslems in their majority, Kopriva said.

Ruml said that several thousands of illegal refugees are staying in the Czech Republic. A big percentage of them perpetrate crimes on its territory, he added.

Government Discusses Foreign Policy Report

AU1202114793 Prague CTK in English 2017 GMT 10 Feb 93

[Text] Prague, Feb 10 (CTK)—The Czech Government's goal is for the Czech Republic to enter the ranks of normal European countries as quickly as possible and to maintain an active, self-assured position with respect to them, Czech Premier Vaclav Klaus told journalists after the government's session today.

Under no circumstances do we want to come knocking at the door. We do not think we will reach anyone by knocking more often, Klaus said.

Klaus was commenting on the government's discussion of a report on the possibilities of the foreign policy of the Czech Republic with respect to the European Community in 1993 prepared by Czech Minister of Foreign Affairs Josef Zieleniec. Klaus said the report is the first of several which will address such foreign policy questions as the country's relations with Germany and the Visegrad group (Poland, Hungary, Slovakia, and the Czech Republic).

In other business, the Czech Government also named seven members to a joint Czech-Slovak Border Commission. According to Minister of the Interior Jan Ruml, marking out the entire 230-kilometre border between the two countries will take two to three years.

Dienstbier Criticizes Foreign Policy

AU1502175893 Prague RUDE PRAVO in Czech 11 Feb 93 pp 1, 9

[Interview with Civic Movement Chairman Jiri Dienstbier by Katerina Perknerova; place and date not given: "Prime Minister Klaus Does Not Have a Concept for Foreign Policy"]

[Text] The establishment of the Czech state should be accompanied by a clear concept for foreign policy. I asked the post-November Federal Foreign Minister Jiri Dienstbier, chairman of the Civic Movement, for his opinion on this matter.

[Perknerova] In your opinion, does the Czech Government—particularly Prime Minister Klaus and Foreign Minister Zieleniec—have a clear idea about foreign policy?

[Dienstbier] I believe that Prime Minister Klaus has no concept of foreign policy and he says the first thing that comes into his mind. Let us hope that, as someone who is responsible for the government, he will devote time to

preparing a concept. As far as Zieleniec is concerned, I believe he has some understanding, but he is in a rather difficult situation. When the prime minister makes a statement—on the Visegrad Three, or the EC, for example—Zieleniec has to try to explain these statements and integrate them into some kind of positive strategy.

[Perknerova] Poland and Hungary reacted with irritation to the Klaus statement regarding the Visegrad group in which he says that the Visegrad Three were part of a process artificially created by the West, a process that does not apply to us. Can this statement harm the status of the Czech Republic?

[Dienstbier] I think that this was an irresponsible statement, a statement based on complete ignorance of the matter. The Visegrad Three—or Four, today—is no small COMECON or a substitute for our integration in European institutions. This group associates countries that are facing similar difficulties in postcommunist development and, at the same time, countries that have the best chances for being integrated in the European area. This is why their cooperation is of exceptional importance. These countries signed, for example, the association treaty on the same day. This was due, among other things, to the fact that they were exchanging information and experience and that they cooperated. Apart from this, if we want to become a part of the developed world, then we must bear our share of responsibility. The entire strategy of European security depends on how far will we succeed in moving the zone of democracy and possible prosperity to the East. It is not in our national interest to become a sort of Eastern sentinel of the Western world, and to have to the east of our country a territory of chaos where dictatorship could subsequently arise.

[Perknerova] Prime Minister Klaus says that the Visegrad group does not apply to us but, at the same time, he describes cooperation with our neighbors as one of the priorities of our foreign policy. How do you understand these statements?

[Dienstbier] These statements are contradictory. The Visegrad Three is not a new bureaucratic structure, it does not create any integration mechanisms, special organs, or name any officers. It is only a name for cooperation involving these countries in all the areas where it is possible. At the very beginning, we agreed with Poland and Hungary that we would not compete on who would be the first to join Europe to the detriment of the others, since we would only unnecessarily trip each other up. There is yet another side of the coin to the prime minister's statements. By describing the Visegrad Three as an artificial product of the West, he wanted to explain the fact that the EC, NATO, and the United States supports this cooperation very intensively. They are interested in stability in Central Europe, and they know that as long as these countries do not cooperate there would be no stability in this region. Moreover, NATO representatives are saying, in no uncertain terms, that if these countries are to be protected under a NATO umbrella, then their cooperation is necessary. The view that the Czech Republic alone could become a member of NATO is unacceptable to them. NATO has its own problems with Turkey and Greece. This is why they certainly are not going to create more problems for themselves by accepting only one of these countries and giving the remaining countries the role of neglected and less valuable countries. This would only destabilize the region. It is naive, then, if the Christian Democratic Party wants to convene coalition talks on the Senate and our joining NATO.

[Perknerova] The surrounding countries, including Slovakia, understand Klaus' statements as efforts to establish the Czech Republic as part of developed Europe, sooner than other countries. However, the prime minister's opinion that we do not have to rush anywhere, as far as an integrated Europe is concerned, is contradicting the other view.

[Dienstbier] I was in Austria recently, and everyone there believes Klaus' words are dangerous. A representative of the Austrian extreme right, Haider, is vigorously campaigning against Austrian membership in the EC. His supporters refer to Klaus' statements. The prime minister cannot say anything he wants, since this could negatively influence the situation in a neighboring country and that country's attitude toward the EC. Well, the thing is, what is understood in regard to the word integration is that the Maastricht treaty has its problems but in general, this is a problem for to the future. Even this treaty, too, will develop according to specific conditions and, in my opinion, it will not be directed toward a unified Europe. The subsidiarity principle, which Europe is pushing for, is a highly democratic principle of self-administration. Europe will integrate economically and monetarily, and its foreign policy must be made upon consensus.

[Perknerova] Vaclav Klaus, it cannot be denied, is steadfast regarding the ever-increasing demands of the Sudeten Germans. He even said in this connection that when the international treaty with Germany was discussed, open problems of the past had been highly underestimated. As the principal architect of this treaty, does your conscience bother you?

[Dienstbier] I have a clear conscience, as far the treaty with Germany is concerned. I know that your paper was consistently negative about this treaty. Recently, I met with Genscher in Rome and we discussed the success of this treaty. Many people called me bad names, and then he was called bad names in Germany. Now, if anyone tries to infringe upon this treaty—for example, as Mr. Meciar did in Munich—then everyone jumps up and defends the treaty saying that nothing should be changed in it.

[Perknerova] Nevertheless, during the meeting between Interior Ministers Ruml and Seiters, one problem linked to that treaty appeared. Again, the German side came up

with the idea that the word "borders" (grenze) and not "state borders" (staatgrenze) should be used in the asylum treaty.

[Dienstbier] This problem surrounding [the word] borders is completely artificial. The Czech and the German texts are completely identical. All discussions regarding the word "borders" are of secondary importance. In international treaties, when two subjects are speaking about respecting their state borders, it is absolutely irrelevant how they describe these borders, since borders between two countries—two subjects under international law—are involved here, and it does not matter what we call these borders—no other borders than just the borders between the two states could be meant by that. They would still be state borders even if they were called "dividing lines." This treaty clearly speaks about borders dividing the two countries. This speaks for all. Moreover—I want to make it clear—from the very beginning I insisted on the fact that no restitutions should apply to property [confiscated] before 1948. That is, there is no difference between my position and that of Mr. Klaus. The current government coalition says the same thing. In this respect, during the discussion on the treaty, we were saying the same thing. The sentence in the treaty saying that the treaty does not deal with property issues makes it clear that no one can refer to the treaty when having property claims. Everything in this treaty is formulated in such a way as to prevent anyone from misusing it for his own purposes. If someone is doing it, he has no chance, since the treaty does not allow it.

We must realize, however, that all treaties are concluded between certain countries and governments. If there is a different government in Germany, or in our country, who would not respect the treaty on present and future cooperation, then its text will become completely irrelevant. Well, we have been through it several times. This is not what I would be afraid of, however, since Germany is well aware of its historical burden and of the fact that Germany is one of the main motors of European integration, in which it can become an important part of a large and functioning unit.

[Perknerova] After his election, President Havel expressed his opinion on foreign policy in his first interview with CTK. He mentioned our possible military participation in Bosnia, he stressed, too much, Czech interests, and his idea about his own participation in planning our foreign policy. Zieleniec reacted with prudence to his opinions. Do you think that this is the first indication of future tension between the government and the president?

[Dienstbier] We will see if there is any tension. I do not have the impression that Zieleniec adopted a negative standpoint on Havel's ideas. I believe that it is necessary to clearly specify the president's and the government's powers. This will happen during the process in which the two constitutional institutions and their representatives meet.

[Perknerova] Do you believe that Havel will have a different idea about Czech foreign policy than Klaus?

[Dienstbier] Basically, no one can have fundamentally different ideas about the direction of foreign policy. This policy is determined by our geographic position, democratic political system, and the role which we want to play on the international scene. If I read, for example, a statement by the prime minister, in which he says that "in the post-November period Czechoslovak foreign policy tried to balance relations between the West and the Soviet Union," then I must say that this is not true. Our government tried to force the Soviet troops to leave. We succeeded in concluding a treaty to this effect two months after the government took power. Despite warnings from the West not to exaggerate, we initiated abolition of the Warsaw Pact as promptly as possible. This is why I understand these statements as opportunistic statements directed against policy which I, or President Havel, conducted. In practice, these statements have no weight. It makes sense for us to realize that we want to become a part of an advanced Europe, and we must participate in European efforts to push for democracy and secure it for as broad a Europe as possible, not only for the excellent Czech nation, which will be loved by everyone just because it is so lovable. To say that the borders of the civilized world should be at the Morava River, or that we are going to be the only ones who will be embraced and accepted by Europe, means that we could expect a reaction, which one of our deputies had to face in the European Council: You Czechs, you do not want to pay for what is going to the east of you, but you want us to pay for what is going on in your country. Of course, no payment is involved here. Alms mean nothing, and lead only to demoralization. We, as a part of the civilized Europe, must want to participate in the reconstruction of the East and the southeast. If we do not, then the cancerous tumor of the Balkans will not only remain uncured or uncut, but will begin its metastasis.

[Perknerova] Christian Democratic Party Chairman Benda questioned Havel's candidacy by saying that as long as there is no Senate there is a danger of a second power center being created in which Havel would surround himself with dangerous former communists—he gave your name as the most prominent one.

[Dienstbier] As far as former communists are concerned, I am tired of all this. There are communists among the members of government. In the Civic Movement leadership, there are fewer communists than in the parties of the government coalition. I am not mentioning the People's Party, the posthumous children of priest Plojhar.

It is really useless to speak about former communists. It is important, however, what people think and do. I believe that people are capable of judging this for themselves. Regarding myself, I do not want to be a spokesman or adviser. I think that there are better things to do in this country than being an adviser. Moreover, I would have to be silent and not say what I want. It was quite enough for me to

be disciplined as a member of the federal government for two and a half years. At the same time, however, I am a citizen, and since I have various contacts around the world, I want to use them to the benefit of the Czech Republic when advocating its interests.

Dienstbier Criticism Rejected

AU1502135593 Prague CTK in English 2232 GMT 11 Feb 93

[Text] Prague, Feb 11 (CTK)—Czech Premier Vaclav Klaus today rejected criticism of his foreign political concept expressed by former Czechoslovak Foreign Minister Jiri Dienstbier in an interview published by the Czech daily RUDE PRAVO today.

Klaus said that the Czech Republic is beginning to have a foreign policy which the former Czechoslovakia unfortunately did not have after the fall of the communist regime in late 1989.

Dienstbier was Czechoslovakia's foreign minister from December 10, 1989, to July 7, 1992.

On possible coalition cooperation of his Civic Democratic Party (ODS) with the Czechoslovak Social Democratic Party (CSSD) in the 1994 local elections, Klaus said he does not rule out the possibility of bizarre local coalitions. But this is not the ODS' political strategy and it has not started to conduct any talks with the CSSD, he added.

Also in today's RUDE PRAVO, Czech Foreign Minister Josef Zieleniec (ODS) says that local politics are different from the national and therefore election coalitions or alliances that would be unimaginable in big elections at the moment cannot be rule out.

The ODS will not certainly form a coalition with the Left Bloc or the republicans, but otherwise, I think most varied combinations are possible, Zieleniec says.

The opposition Left Bloc (LB) is made up of the Communist Party of Bohemia and Moravia (KSCM) and the Democratic Left. The republicans are the opposition far right Assembly For the Republic-Czechoslovak Republican Party (SPR-RSC).

RUDE PRAVO writes that it has followed from his (Zieleniec's) words that local coalitions may also be formed with one part of the (opposition) CSSD, a party in which two factions are currently in dispute over political orientation and filling of top party positions.

Klaus Rejects Trade Unionists' 'Blackmail'

LD1402221393 Prague Radiozurnal Radio Network in Czech 2100 GMT 14 Feb 93

[Text] Prime Minister Vaclav Klaus considers the appeal by trade union leaders from northwest electric power plants to consider the feasibility of his remaining in the office of prime minister to be blackmail with extraordinary intensity.

The reason for this appeal is, according to the trade unionists, the government's inability to meet its policy statement on the creation of a competitive market environment and to put an end to monopolies.

The premier went on to describe the northwest power plants trade unionists today as a very peculiar organization [as heard] and added that it would be worth considering who should step down.

Minister Fears German-Dominated Regional Press

AU1502135893 Prague CTK in English 1557 GMT 11 Feb 93

[Text] Prague, Feb 11 (CTK)—The Czech minister for economic competition, Stanislav Belehradek, told a press conference today that he is concerned that the Czech regional press is being bought out by German publishers, which could lead to foreigners holding a monopoly of the market.

Some 47 newspapers have already been bought out by three German firms, incorporated under the company names Vltava, Labe, and Zapadoceske Noviny S.R.O., Belehradek said.

In some regions, where only one or two papers dominate the market, this could affect the politic climate of individual districts in the run-up before local elections next year, the minister added. He said several publishing rights had been sold by local councils under suspicious circumstances.

Belehradek said his ministry would review past mergers and require those seeking to acquire publishing rights to obtain approval from Prague.

Government Raises Subsistence Level

AU1202114493 Prague CTK in English 1941 GMT 10 Feb 93

[Text] Prague, Feb 10 (CTK)—The Czech cabinet today agreed to raise the subsistence level by 15 percent, which will imply an increase in social benefits of 180-260 crowns (about 6-8.7 USD [U.S. dollars]) per household Premier Vaclav Klaus told journalists.

Presently, the benefits are paid to 2.3 percent of households in the Czech Republic, Klaus said and added that the increase will require an additional 250 million crowns (about 8.3 million USD) from the state budget.

The unemployment rate in the Czech Republic is 2.5 percent, according to the latest data, Klaus said and compared the figure with 10.9 percent for the European Community.

In reaction to the Friday [5 February] petition passed to him by representatives of Romanies, Klaus said that the government will counter all manifestations of intolerance which might provoke the feelings of threat among any ethnic minority.

The government will take effective measures against all movements and groups which resort to organised crime.

In the petition, the Romanies demanded the observance of the outlawing of fascist and racist groups in the country, and warned that unless their demands are met, they will declare civic disobedience and set up illegal groups targeting the racist groups.

Of late, a number of skirmishes between Romanies on the one hand and skinheads and anarchists on the other have been registered in the Czech Republic. North Bohemia has been specially hit by the migrant problem, especially Romanies whose crime rate is high. Police reinforcements have been sent to the region.

Klaus said Labour and Social Affairs Minister Jindrich Vodicka has been charged to prepare, in cooperation with Education Minister Petr Pitha and Interior Minister Jiri Ruml, a report on the Romany community from the point of view of their social conditions, employment and education, and submit draft measures to redress it.

It is estimated that about 200,000 Romanies live in the Czech Republic.

Tosovsky's Slovak Trade Decline Claim Rejected

AU1502135193 Prague CTK in English 1556 GMT 10 Feb 93

[Text] Prague, Feb 10 (CTK)—Projections of a possible decrease in bilateral trade between the Czech and Slovak Republics are loaded with inexactness, Czech Minister of Economics Karel Dyba told CTK today.

Dyba was responding to a statement Monday [8 February] by Governor of the Czech National Bank Josef Tosovsky, who said he believed trade between the republics would decrease by 30 percent as a result of the Czechoslovak currency split last week. Dyba said he stands by the official Czech Government estimate of a 10 percent decrease.

Dyba pointed out that according to the Czech Statistical Office, Czech exports to Slovakia form more than a quarter of its total exports, but that Slovak exports to the Czech Republic amount to more than 30 percent of that country's exports. The Slovak economy's dependence on the Czech market is, measured this way, considerably higher than ours on their market, he said.

Trade between the two republics decreased considerably even before the split of the Czechoslovak Federation January 1, and the 1992 trade volume had already declined certainly by more than 10 percent, he said, and that without any kind of outside influence.

Dyba said he did not want to second guess whether the government would intervene in case of a dangerous decline in trade. It is necessary to wait and see how the economy develops, he said, noting that the necessary conditions for continued trade, such as the payments agreement between the republics, have already been set.

Slovak Troop Deployment Claim Doubted

AU1202100793 Prague MLADA FRONTA DNES in Czech 10 Feb 93 p 1

[Report by "(jem)": "The Czech-Slovak Border Will Be Patrolled by 1,000 Troops at the Most"]

[Text] Prague—The Slovak Republic Army could not deploy 10,000 troops to guard its borders and support the police force. Deputy Chief of the Czech Army General Staff Frantisek Vana made this statement yesterday in response to a report issued by Slovak Defense Ministry Press Secretary Anton Fillo. Vana said it is impossible that the Slovak Army would put its combat readiness at risk by deploying almost one-fourth of its personnel under the Interior Ministry.

According to General Vana, the Czech Army will deploy 1,000 troops at the most to patrol the Czech-Slovak state border. He said some government members have already explained that the physical border between the two republics will come into being before 1995. The Army is, therefore, prepared—as in the case of currency separation—to help. However, the government must decide when. Frantisek Vana mentioned that, at the moment, the Czech Republic does not have the technical means to reliably close its borders.

Michal Kovac of HZDS Elected President

LD1502163693 Prague CTK in English 1609 GMT 15 Feb 93

[Text] Bratislava, Feb 15 (CTK)—Michal Kovac from the ruling Movement for a Democratic Slovakia (HZDS) was elected today first president of the Slovak Republic.

Kovac, the sole candidate running for election in today's second double-round of voting, received 106 votes in the 150-seat national council of the Slovak Republic (parliament), 16 votes more than the three-fifths majority required for election. Nineteen deputies out of the 148 present abstained. One ballot was invalid and two deputies did not vote.

Prior to his election, Michal Kovac told the Slovak parliament he is a convinced democrat who adheres, both in his life and politics, to Christian and humanistic principles. He said that as president he will strive to build a law-abiding and democratic state that will be a kind home, a good homeland for all citizens regardless of their nationality, political affiliation or religion. He said that he is a politician who lays emphasis on the need for social peace and social justice. According to him, the construction of a socially oriented market economy must be supported by discipline and directed towards the general welfare.

In this context he said it is necessary to defend more energetically against the impoverishment of broad strata of the population, and to elevate their personal, cultural, national and civic self-confidence. All Slovak political forces should strive to calm down the political situation in the country, Kovac said, adding that this should also be the task of the mass media. We do not want to and must not silence criticism. We need constructive criticism, centering on matter-of-fact problems and not on personal, political or mutual squabbles, Kovac said.

To Be Inaugurated 2 Mar

LD1502181293 Prague CTK in English 1739 GMT 15 Feb 93

[Text] Bratislava, Feb 14 (CTK)—The inauguration of the first Slovak president, Michal Kovac, will take place in Bratislava March 2. At a press conference following his election, Kovac said he will strive for the Czech Republic to become the priority of Slovakia's foreign policy. His first meeting with his Czech counterpart Vaclav Havel will, he hopes, take place on the day of his inauguration, at which havel intends to be present.

I will naturally repeat my invitation to Vaclav Havel, Kovac said, adding that he does not know yet whether his first foreign trip will be to the Czech Republic. In a short address to the Slovak parliament following his election today, Kovac said Slovak statehood has been completed by today's election. I am glad that my constitutional pledge to be independent has been confirmed by the support of almost all parties and movements, Kovac said.

In the 150-seat Slovak parliament, Kovac received 106 votes. The ruling Movement for a Democratic Slovakia, which nominated him, holds 74 seats 15 seats are held by the Slovak National Party (SNS), which promised to support Kovac last week 29 by the Democratic Left Party (SDL), whose decision to support Kovac was announced Sunday 18 by the Christian Democratic Party (KDH) and 14 by the Hungarian Christian Democratic Movement—Egyutteles.

Speaking on Slovak television after his election, Kovac said that the president must become an integrating factor on the home political scene. Noting that the election of the Slovak president is a significant signal for foreign countries, Kovac added that he will lay emphasis on increasing Slovakia's trustworthiness abroad.

Kovac on Election, Foreign Policy

LD1502215793 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1807 GMT 15 Feb 93

[Report on news conference with President Michel Kovac, by "Radiozurnal" announcers Michal Tvarozek and Ludmila Bulakova; including recorded remarks by Kovac; "shortly after being elected" in the procedures' hall in Bratislava; from the "Radiozurnal Extra" program]

[Text] [Tvarozek] The first question journalists put to the newly elected Slovak president concerned his activity vis-a-vis the Czech Republic and a possible top level meeting.

[Kovac] As far as activities vis-a-vis the Czech Republic are concerned, even before being elected, I kept stressing in numerous public speeches my intention to aim my efforts at the Czech Republic being a priority of the Slovak Republic's foreign policy. Not only do I wish to affirm this intention through my presidential work, but I would like to implement this intention, too. I assume that the first meeting will take place on the occasion of my inauguration. Mr. President Vaclav Havel, president of the Czech Republic, has already promised to visit. I will, naturally, return the visit.

Afterward, it will be necessary to organize normal working visits. I do not know whether I will go to the Czech Republic first or whether Mr. President Havel will come here first. It will obviously be agreed via diplomatic channels. My task will be to ensure that we maintain good and friendly relations with the Czech Republic, so that the agreements we concluded do not remain in force for only a short while, but form a more lasting basis for our relations with the Czech Republic. This changes nothing about the fact that some of them, or some parts of them, will cease to exist and will lose their topical nature.

But new conditions and prerequisites will definitely be created for developing this system of international treaties with the Czech Republic into a form that will be beneficial and useful for the citizens of both republics.

With regard to the meeting with President Havel, I think that a working visit of the two prime ministers will precede the president's visit.

[Bulakova] Since it is already generally known of President Michal Kovac that he is a certain counterweight to Prime Minister Vladimir Meciar, journalists were interested to know whether he dared to influence the prime minister in his decisions.

[Kovac] Well, the president's constitutional powers are set, the prime minister's powers are set as well. It is therefore not a counterweight, but one organic whole, which has to perform so as to be of benefit to the citizens of the Slovak Republic. Of course, a lot depends on what personalities are at the head of individual bodies of state power. I personally believe that the communication between the president, the prime minister, chairman of the National Council, and with the government and the National Council as a whole should be, in line with my pledge or statement or request voiced today, good so as to show not only the citizens of our republic, but also the world that Slovakia is ready for mature cooperation with all states.

[Tvarozek] In recent days, there was a lot of talk about the possibilities or prerequisites for the reconstruction of the Slovak Government. In this connection, one of the journalists asked how the president would approach this issue with respect to the fact that deputies of parties that are not satisfied with the work of some ministers and criticize the government also voted for him.

[Kovac] I would not like to take any position on the reconstruction of the government, since I have been president for a few minutes only. I was not able to analyze the situation, to hold consultations with the prime minister, with the chairman of the National Council, or possibly consultations with relevant political parties. Finally, I maintain that the reconstruction of the government, if necessary, is first of all a matter for the government and for the parliament. The president will be helpful in the event that the government reconstruction issue is the issue of the day. He would be there to assist such a reconstruction.

[Bulakova] Both foreign and Slovak journalists wanted to know about the Slovak president's foreign policy concept.

[Kovac] I think the main, and a very important, task is to contribute to enhance Slovakia's credibility in the world. If I were to set the order of priorities, it is above all important for us to increase our credibility in the eyes of the United States of America, Canada, and the European and Asian states. A special place must be taken by our foreign policy in relation to the neighboring states. As I have said earlier, the top priority is our policy toward the Czech Republic. It is very important for us to take measures and steps to alleviate the tension with Hungary. Finally, it is necessary to develop our cooperation with Poland, Ukraine, and, of course, with Austria. All these are, as far as I know, the priorities of the foreign policy of the government of the Slovak Republic. In this respect, I want to assist in putting these priorities into practice.

[Tvarozek] The issue of the president's nonpartisanship has recently been discussed a lot. As is well known, Mr. Kovac promised that on the day that he was elected president he would ask that his membership in the Movement for a Democratic Slovakia [HZDS] be suspended. Did he take this step?—was the next question.

[Kovac] As far as my HZDS membership is concerned, formally I am still a member, but I will put a request in writing to be released from the post of HZDS deputy chairman—I will do this either today or tomorrow and I will ask, in harmony with a resolution adopted by the republican leadership on 6 January this year, to have my HZDS membership suspended for the period of my presidential office.

[Bulakova] Today two journalists, one from this country and one from abroad, were interested in whether the president intends to declare an amnesty and what would be its extent.

[Kovac] It is, of course, necessary to consult on this issue with the government and consult on it with the National Council, the justice minister, and the interior minister. I am sure you do not expect me to be capable now, without these consultations, of promising anything or undertaking any obligation. I can assure you that as far as the amnesty is concerned, I will not initiate anything similar to what took place here in 1990 [when Havel declared a wide-ranging amnesty following his first election to the post of Czechoslovak president] on my own. If I initiate anything, following a certain analysis, this would be the amnesty concerning unintentional crimes.

[Tvarozek] In his first address, President Michal Kovac recalled his intention to be president of all citizens, regardless their citizenship, nationality, race, and conviction. This is why in the briefing some journalists were interested in hearing about ways in which he wants to tackle the present nationality problems.

[Kovac] Regarding my attitude toward ethnic groups, I expressed this attitude in my speech today, addressed first and foremost to the deputies. In my talks with the Hungarian Christian Democratic Movement [MKDH] and Eguyetteles, I kept assuring that, regardless of their attitude toward the presidential election and totally independently of this attitude, I will initiate talks with experts on the political level, in order to ensure that talks on their draft of the constitutional law, which is to address these issues, will make headway. I will demand that talks under my leadership are carried out until a consensus is reached, because in order to adopt a constitutional law we need 90 deputies. Everyone, deputies from the MKDH, Eguetteles, and others must make an effort to accommodate this issue, because without the necessary support of deputies from other parties, no law addressing this issue in a just way can be adopted. I also

promised to let the solution we would be striving for be consulted on in the relevant international commissions, so that we can rest assured that our own proposal on how these issues should be tackled in reality conforms to European standards and to the norms that exist in this respect in the United Nations' Organizations and in the Conference on Security and Cooperation in Europe.

[Bulakova] On the last range of questions heard at the president's meeting with Slovak and foreign journalists today, we have selected those concerning the implementation of his efforts to do what he declared he would do at the meetings with all parliamentary parties and movements in the run up to the election. How and when will he initiate meetings? Will his declarations about broad cooperation among all parliamentary parties be reflected also in the personnel composition of the Presidential Office?

[Kovac] I intend to initiate multilateral talks among representatives of political parties and movements. I think that the presidential post has now filled this scope. And the president is the right person to make sure that other nongovernmental parties do not feel like they are being managed by a governmental party. The way this mechanism has been functioning up until now was that the initiative was either generated by opposition parties or by the HZDS. Clashes of this kind did, indeed, take place. Now, it could be the president who instigates this initiative, and parties could agree to meet on a regular basis and to create some kind of a more lasting mechanism. I cannot say when I'll do this, but I regard it as a matter of some urgency, because of the need to calm our domestic political situation.

As for the second question, about the staffing of the Presidential Office, what I would like most of all is for it to comprise experts. At the same time, I regard as correct that the political composition of these experts should be a reflection of the political spectrum of our society. This means that not only members of the ruling party, but also opposition parties' members should be given an opportunity. However, first and foremost it should be the unaffiliated who should be given a chance. And as we all know, most of the people are unaffiliated.

[Bulakova] Esteemed listeners, you have been listening to some answers President Michal Kovac gave at a briefing shortly after his election today. Radiozurnal Extra was compiled by Ludmila Bulakova and Michal Tvarozek.

Meciar Says Kovac Election Result 'Expected'

LD1502225093 Bratislava STV 1 Television Network in Slovak 2100 GMT 15 Feb 93

[Text] The result of the elections held today was expected, according to Slovak Premier Vladimir Meciar, as two political parties—the Slovak National Party and the Party of the Democratic Left—had promised before the elections to support Michal Kovac, candidate of the Movement for Democratic Slovakia. The only unknown factor was how many deputies would abstain.

In an interview granted to TA SR, Meciar said that he now faces the task of taking care of the president's solemn inauguration because Michal Kovac will officially become president only after taking the oath prescribed by the constitution. Meciar said that he intends to invite at least five presidents from other countries to attend the solemn ceremony. Among them is expected to be Czech President Vaclav Havel, who has already promised to attend.

Party Leaders React To Kovac Election

LD1502230093 Prague Radiozurnal Radio Network in Czech 2100 GMT 15 Feb 93

[Text] Roman Zelenay, the Slovak prime minister's foreign policy adviser, is pleased that a man possessing great communicative skills, who has no controversial tendencies, and is able to make sensible compromise has become Slovak president.

Arpad Duka Zolyomi, chairman of the deputies' club Eguyetteles, stressed that the Hungarian coalition did not support the idea of a president with a party affiliation in the second round. However, he personally hopes that Michal Kovac will not be discrimating between Slovakia's citizens.

Anton Neuwirth, the Christian Democratic Movement's unsuccessful candidate for the post of Slovak president, recommended that Michal Kovac fulfill with deeds the words spoken in the address prior to his election in the republican parliament.

The attitude of the Party of the Democratic Left to Michal Kovac's presidential candidature was influenced by the fact that Slovakia needs a president, according to Pavol Kanis, acting vice chairman of the party.

Frantisek Miklosko, chairman of the Christian Democratic Movement club in the republican National Council, believes that the Slovak president will balance the government's power position and contribute to stabilizing political and social life in Slovakia.

Mjartan To Sue for Libel in Bugging Affair

AU1202141593 Bratislava PRAVDA in Slovak 11 Feb 93 p 2

[CTK report: "Ivan Mjartan's Complaint"]

[Text] Bratislava—The Mandate and Immunity Committee of the National Council of the Slovak Republic [NRSR] demands that Slovak Parliament Deputy Vladimir Miskovsky (Slovak National Party) should "abstain from statements which could defame a person's honor, name, and human dignity, as defined in the Slovak Constitution." This is what ensues from a resolution issued by the committee and which was adopted yesterday. I. Mjartan accused V. Miskovsky in January

of damaging Slovak Republic interests, since he said that Mjartan knew about the installation of bugging equipment at the U.S. Consulate in Bratislava even before the news of the "affair" broke. "At this time, we consider this affair to be closed," NRSR Chairman Lubomir Fogas (Party of the Democratic Left) said. He also said that Mjartan has instigated criminal proceedings in this matter.

Another Trip Abroad Cancelled for Knazko

LD1202223093 Prague CTK in English 2145 GMT 12 Feb 93

[Text] Bratislava, Feb 12 (CTK)—Slovak Foreign Minister Milan Knazko will not represent Slovakia at the Sunday [14 February] signing in Debrecen, Hungary of an agreement on regional cooperation between parts of Hungary, Slovakia and Ukraine.

The three countries are to sign an accord on the creation of a so-called Carpathian Euroregion, which could also include northern Romania at a future date. Igor Kosir, head of Slovakia's Agency for Regional Cooperation will attend in Knazko's place.

This is Knazko's second cancellation of a scheduled trip abroad. The Slovak foreign minister has not been sent on any missions abroad since his row over party politics with Slovak Premier Vladimir Meciar last month, leading some to wonder how the new state can effectively conduct a foreign policy when the chief of its diplomacy remains grounded in Bratislava.

Meciar To Visit Brussels

AU1102201093 Prague CTK in English 2106 GMT 10 Feb 93

[Text] Bratislava, Feb 10 (CTK)—Slovak Premier Vladimir Meciar—and not Slovak Minister of Foreign Affairs Milan Knazko—will visit Brussels to meet with the president of the European Community Commission February 23, the Slovak daily NARODNA OBRODA wrote today, citing unnamed domestic and foreign sources.

Sources close to Knazko told CTK today that the foreign minister knew nothing of Meciar's preparations for the visit and that the ministry was not informed of it. News of the switch came February 8 from protocol officials of the European Community. Knazko asked about Meciar's visit at a government session February 9, at which Meciar was not present, but none of the other ministers knew anything about the visit, according to CTK's sources.

Meciar's foreign policy adviser, Roman Zelenay, allegedly prepared the premier's trip without the Foreign Ministry's knowledge. Observers speculate that Zelenay may succeed Knazko as foreign minister.

A February 8-9 visit to Brussels, where Knazko was to meet with top representatives of the European Community and NATO, was not approved by the Slovak Government, which gave as grounds for its decision Knazko's failure to report in advance the details and goals of his visit to the other ministers.

At an extraordinary session of the leadership of the ruling Movement For a Democratic Slovakia (HZDS) on February 6, Meciar called on Knazko to resign his post as foreign minister. Knazko said Meciar cited Knazko's alleged lack of a foreign policy concept, unpreparedness for several other foreign visits, and lack of cooperation with other ministers as reasons for the resignation request.

Meciar accused Knazko of breaking party discipline for encouraging HZDS members not to vote for the HZDS candidate for Slovak president on January 26. The party leadership also criticised Knazko for continuing to support selection of a nonpartisan candidate for president. The HZDS officially supports the idea of nominating one of its members.

SNS Supports Knazko, Say To Conclude Czech Treaty

AU1502140193 Prague CTK in English 1410 GMT 11 Feb 93

[Text] Bratislava, Feb 11 (CTK)—The Slovak National Party (SNS) believes that Slovak Foreign Minister Milan Knazko has turned the ministry into a functioning and successful institution, SNS Deputy Chairman Ladislav Vlasic told a press conference today.

Among Knazko's biggest successes he named the Slovak Republic's speedy admission into the United Nations. He said that Knazko's personal contacts and his verbal abilities while negotiating with foreign diplomats are very important.

Vlasic said that the Foreign Ministry's next important task will be to create scope and conditions for Slovakia's closest possible cooperation with the UN headquarters in Vienna.

At an extraordinary session of the leadership of the ruling Movement for a Democratic Slovakia (HZDS) on February 6, Knazko was subjected to sharp criticism. Slovak Premier and HZDS Chairman Vladimir Meciar accused him of breaking party discipline and called on him to resign as foreign minister but Knazko refused to do so.

Vlasic said that in the SNS' view, Slovakia should conclude treaties of friendship, security and cooperation with all neighbouring countries. He said that the republics of the former Yugoslavia—Croatia and Serbia—should also be included among these countries but only after the situation in the Balkans is consolidated.

Vlasic said that none of the agreements concluded between the Czech Republic and Slovakia in connection

with Czechoslovakia's split is being observed by the Czech Republic. As examples he named the illegal appropriation of the former Czechoslovakia's state flag, division of the Czechoslovak Air Lines and the Czechoslovak Sea Navigation Companies' property, and the Czech Republic's demand for Slovakia to return to it 19 billion crowns (approximately 0.6 billion USD) in compensation for Slovak citizens' investments in Czech enterprises during the coupon privatisation first wave last year.

Peter Sokol, SNS deputy chairman, again confirmed that SNS deputies will support Michal Kovac, the HZDS official presidential candidate for the second round of voting. He mainly appreciated the fact that at his talks with SNS representatives this week Kovac has already acted as a presidential candidate with suspended membership in the HZDS, and that the HZDS is going to free Kovac from all the obligations towards the movement in case of his election Slovak president.

Trade With Czech Republic Expected To Decline

AU1202120393 Bratislava NARODNA OBRODA in Slovak 10 Feb 93 p 2

[TA SR report: "J. Tosovsky's Pessimism"]

[Text] Prague—Czech National Bank Governor J. Tosovsky said yesterday: "By concluding a treaty on payments and clearing with Slovakia, we bought time to become accustomed to the new situation and prevent a dramatic collapse of this market." This pessimistic statement is not the only pessimistic statement we can hear, and experts estimate the decline in trade between the two new states at between 75 and 85 percent of the original level. In 1992, the volume of mutual trade between the Czech Republic and the Slovak Republic was 177 billion Czechoslovak korunas. The surplus on the Czech side in mutual trade was 15 billion korunas. On the basis of this, some people think the Slovak koruna should be devalued with respect to the Czech koruna. According to others, however, this is not a sufficient reason for devaluing the Slovak koruna.

Koruna Trading Below Czech Koruna for First Time

AU1202114193 Prague CTK in English 1729 GMT 10 Feb 93

[Text] Prague, Feb 10 (CTK)—The new Slovak crown (SOK) today traded below one Czech crown (CEK) at banks in the Czech Republic for the first time since the Czechoslovak crown's division last weekend.

The Slovak crown at the Czechoslovak Trade Bank was today purchasing one SOK for 0.965 CEK and selling it for 1.015 CEK, with the median value set at 0.990 CEK. Agrobanka set its purchase rate at 0.97 CEK, selling rate at 1.02 CEK and median rate at 0.995 CEK for tourists.

The original rate between the two currencies at the time of division had been set at 1:1.

Inflation Predicted To Surpass 17 Percent

AU1502135393 Prague CTK in English 2030 GMT 10 Feb 93

[Text] Bratislava Feb 10 (CTK)—It will not be possible to prevent the inflation in Slovakia from surpassing 17 percent, Slovak National Bank's (NBS) Vice-Governor Marian Jusko said today.

Speaking to journalists after a session of the NBS Economic and Budget Committee, he said that the bank of issue can hardly influence the inflation rate. The Czech National Bank's policy will be more restrictive than that of the NBS, Jusko said. The NBS policy will be neutral, we shall strive for neither a restrictive nor expansive policy, he added.

Government Session Discusses Monetary, Budget Policy

AU1502213893 Bratislava HOSPODARSKE NOVINY in Slovak 10 Feb 93 pp 1, 2

[Report by Alena Melicharkova: "Tasks For the Finance Department in Particular"]

[Text] The Slovak Government held a session yesterday chaired by Deputy Prime Minister Roman Kovac instead of the prime minister, who is ill. One of the most important points on the agenda was a discussion of the principles for monetary, finance, and budget policy—including draft measures concerning banking, customs, and prices.

Finance Minister Julius Toth said at a news conference that the government has authorized the Finance Ministry and recommended the National Bank of Slovakia [NBS] to adopt measures and principles aimed at continuing economic reform and reviving the economy. They should deal with the currency's stability, develop a proexport policy, make the insurance of exports possible, and reevaluate the taxation laws and their impact on individual groups of businessmen. Another goal is to resolve the problems associated with the small amounts of credit granted by Slovak banks and—in conjunction with privatization—to acquire funds from outside the budget. These measures should also contribute toward eradicating the problems in attempting to achieve a balanced budget.

In reply to a question from HOSPODARSKE NOVINY on whether the measures are also in harmony with the expected amendment to the government's policy statement, Toth said that they involve some 48 tasks with specific deadlines and that they follow up on the Slovak Government's current economic policy. A question was asked—in connection with the currency separation—about how long the customs union can be maintained. According to Toth, it can hold together for a very long

time, and has nothing to do with currency separation. He said that neither goods manufactured in the Czech Republic nor in the Slovak Republic will be subject to declaration, only goods manufactured in a third country will be subject to this procedure.

NBS Deputy Governor Marian Tkac also replied to questions concerning the currency separation. A total of 1.8 million citizens exchanged their money during the exchange period in Slovakia. They exchanged 3.6 billion korunas, which works out to an average of more than 2,000 korunas per person. The citizens' deposits have increased by 17.5 billion Slovak korunas recently. He expressed the view that citizens will withdraw them. The banks are prepared for this. Even the projected suspension period on withdrawing deposits before 22 February will—obviously—be reduced. Tkac visited the Slovak clearing center on Monday [8 February]. According to the figures available, payments amounting to 130 million korunas in Slovakia's favor have been conducted between the Czech and Slovak Republics. He also expressed the view that if things continue like this (which is not very likely), it would be very advantageous for Slovakia. In reply to a question about the exchange rate between the Czech and Slovak koruna, he said that the tourist rate will be determined by the commercial banks according to supply and demand. Exchange rates of 1:1.20 when selling and of 1:0.80 when buying are in effect both in the Czech Republic against the Slovak koruna and in the Slovak Republic against the Czech koruna. However, it is expected that the exchange rate will soon stabilize. It is seen as natural that each bank is trying to increase the difference between selling and buying as it is financially advantageous for it.

The government also approved nine direct sales of enterprises yesterday. According to Minister for the Administration and Privatization of National Property Lubomir Dolgos, this process is completed. "Except for certain special cases such as the Topolcany Brewery," he said. The nine projects cited are worth some 400 million korunas. The new owners were chosen by a so-called more limited competition. He also announced that the government yesterday revoked five decrees passed by the previous government concerning the direct sales of enterprises. The decrees had to be abolished because the approved owners had withdrawn from the agreed upon projects. Therefore, it is necessary to make new plans for privatizing these enterprises and this could only be done if the cited decrees were revoked.

The privatization of more than 500 pharmacies was discussed in detail at yesterday's session. The opinion prevailed that citizens can take part in privatizing pharmacies in a public competition, but only pharmacists can run them.

The government also approved a draft law on the obligatory printing of periodical and nonperiodical publications, which publishers are obliged to issue without charge to precisely defined institutions so that the appropriate amount of documentation is guaranteed. It also approved a draft law on measures in the sphere of industrial ownership. The cabinet then discussed a proposal for an information campaign to present Slovakia abroad and a plan for implementing it. The government established an interdepartmental commission to coordinate efforts in this regard. It also made note of a report on activities in presenting the Slovak Republic abroad and of a plan for the Foreign Ministry's press and information activities. It also approved a proposal for the country to join the Central European Initiative and Visegrad group regional groups in connection with the cessation of CSFR membership in these groups on 31 December 1992. The government approved a proposal for a foreign assistance coordination system in accordance with the comments made during the session and established a commission to deal with coordination in this regard.

Goncz Departs for Visit to Thailand, Malaysia

LD1402175893 Budapest MTI in English 1744 GMT 14 Feb 93

[Text] Budapest, February 14 (MTI)—Hungarian President Arpad Goncz left for an eight-day official visit to Southeast Asia on Sunday [14 February]. The first leg of his tour, from 15 to 18 February, will be Thailand. He was invited by King Phumiphon Adunyadet.

Between 18 and 22 February, Goncz will visit Malaysia, where he and his wife will be the guests of Supreme Sovereign Muhibbuddin Shah Ibni Sultan Yusov Izzudin Azlan.

Goncz will be accompanied by Industry and Trade Minister Ivan Szabo, who has recently been appointed finance minister, International Economic Relations State Secretary Laszlo Bogar, and Foreign Affairs Deputy State Secretary Denes Tomaj.

According to diplomatic sources, Goncz is expected to sign bilateral agreements with both Southeast Asian countries.

Goncz will also meet the prime ministers and parliamentary leaders, and will visit economic centres in the two countries.

Meets Thai King in Bangkok

LD1502172993 Budapest MTI in English 1650 GMT 15 Feb 93

[Text] Bangkok, February 15 (MTI)—The importance of stable relations based on a contractual basis and mutual advantages was stressed by Hungarian President Arpad Goncz during an informal conversation with Thai King Phumiphon Adunyadet in Bangkok on Monday [15 February] afternoon, the first day of his visit to Thailand.

The Hungarian president met King Adunyadet at his residence in Chitralada Palace.

Covering talks with Hungarian reporters accompanying the president, presidential spokesman Andras Farago said that far-reaching discussions were held on environmental issues related mainly to agriculture, with special regard to the changes in Hungary's agricultural ownership relations and the application of environmentally sound farm technology.

Adunyadet and his wife hosted a gala dinner in honour of Goncz and his wife in the royal palace on Monday evening.

In his toast, the Thai king pointed out that although his country's relations with Hungary did not look back on a long past, their future seemed promising, particularly in light of the good opportunities for cooperation in trade, investment, science, and technology. Thailand is following with great attention, the current processes taking place in Hungary, he added.

Goncz said that the two countries' mutually advantageous cooperation rests on the basis of friendship, and pointed out the common intention of intensifying links in political, cultural, and economic fields alike.

Albanian Parliamentary Delegation Visits Hungary

AU1202114693 Budapest MAGYAR NEMZET in Hungarian 10 Feb 93 p 3

[Interview with Shaqir Bejto Vukaj, deputy chairman of the Albanian Republic's People's Assembly, by Gabor Stier in Budapest; date not given: "Until Kosovo's Rights Are Restored, There Will Be No Peace"]

[Text] A delegation of the Albanian Republic's People's Assembly began a one-week visit to Hungary on 9 February. The delegation has met Alajos Dornbach, deputy chairman of the Hungarian parliament, it is to meet Gyorgy Szabad, chairman of the parliament, and it will also hold discussions in the Ministry of International Economic Relations, the Foreign Affairs Ministry, and the Agricultural Ministry. We first asked Shaqir Bejto Vukaj, leader of the delegation, about the goals of the visit.

[Vukaj] We are mainly interested in parliament's work, the legislative process, the activities of the local governments, and relations between the government and parliament. We might be able to learn from the Hungarian experiences of privatization and redistribution of the land because, in Albania, we are still to return the land to the peasantry.

Bilateral cooperation also has great possibilities. I am mainly thinking of revitalizing the traditional links that have been formed in the past 40 years. Both Tirana and Budapest would like to increase trade turnover between the two countries. Cooperation in tourism could be especially useful.

[Stier] What plans exist for utilizing the Albanian seaside at the moment?

[Vukaj] Tourism is a driving sector of the economy in Hungary, therefore, your experiences are important for us. There are other factors, too. We would also expect Hungarian investors to take note of the beauty of the Albanian countryside, the possibilities hidden in tourism, and the fact that Albania's shores are washed by two seas. We are aware that it is not as easy as it seems to sell the sunshine and the fresh air and that we need investments in infrastructure. I would like to dispel the rumors that the seaside has already been divided up by U.S. concerns. We do not want to give the whole seaside into one hand. The Albanian state does not hinder the inflow of foreign capital but it naturally acts against those who want to make financial gains to the detriment of its interests. We respect the wishes of the investing partners but we will not allow ourselves to be robbed. In respect of foreign investments, the government considers

a 51 to 49 percent capital ratio desirable but it does not exclude the possibility of later amending this law.

[Stier] At the moment, drawing the accounts of the past and providing justice for past crimes are a subject of domestic political debates in Albania. As an opposition representative of the Socialist Party, what are your views on this issue? Does anyone go to extremes?

[Vukaj] First I have to note that the socialists are not successors of the former state party. All the currently operating parties in Albania were derived from the communist Albanian Workers Party. The Socialist Party has drawn up a European party program and it is ready to face any kind of investigations. We have nothing to do with Enver Hoxha's party. We publicly condemn the mistakes but we are trying not to discard the good things of the past. We are in a transitional period at the moment. As in all cases of changes of regime, extremisms are natural, therefore, excessive actions also exist.

[Stier] Through their national minorities, both Hungary and Albania are affected by the southern Slav crisis. Will this problem be discussed during your talks?

[Vukaj] Naturally, we will also discuss this. We are doing all we can to protect the interests of our brethren in the Balkans. We support their just demands at all forums, and our views coincide with those of the Hungarians in this issue. We have the same problems and the same issues trouble both of us.

[Stier] Which one of Kosovo's demands does Albania consider realistic, autonomy or complete separation?

[Vukaj] The Albanian people of Kosovo have already decided this issue. We do not want to influence or direct them; we support the decision they make.

[Stier] Do you also support that [self-styled Kosovo President] Rugova wants to join Albania?

[Vukaj] Today, the most important tasks are to gain their rights, to stop the occupation, to establish the freedom to express their will, and to settle the issues of television and schooling. The question of statehood can come after this but it is premature to discuss it at the moment. However, it is certain that until Kosovo's rights are restored, there will not be peace in the Balkans. We agree with the statements made at international forums and we accept the decision of the United Nations and the EC. Albania does not have a separate policy in this region.

[Stier] In Albania's view, what kind of security guarantees are necessary to be able to find Kosovo's future reassuring?

[Vukaj] War cannot break out in Kosovo. Only genocide is possible in an occupied country. I must add, though, that a lot depends on the United States and certain groups of Europe. If they wanted it then the Bosnian war would be ended in a few days.

Jeszenszky Meets With Romanian Representatives

AU1202100093 Budapest MTI in English 2136 GMT 10 Feb 93

[Text] Budapest, 10 February (MTI)—Irrespective of the future minority policy in the neighbouring countries, the minorities in Hungary will receive the rights due to them, Hungarian Foreign Minister Geza Jeszenszky said on Wednesday [10 February] in Budapest, while meeting leaders of the Federation of Romanians in Hungary, and representatives of the Romanian Orthodox Church in Hungary. Hungary's ambassador to Romania, Erno Rudas was present.

The foreign minister said minorities had no reason to distrust positive discrimination, and lack of money was the only obstacle.

Jeszenszky inquired about the views of the representatives of the Romanians in Hungary as to what they would like to have included in the Romanian-Hungarian basic agreement. He proposed to jointly examine how contacts with the Romanians, and contacts between the minority Hungarians and minority Romanians, could be promoted. The foreign minister asked for their views about the bill that will settle the situation of minorities in Hungary, and also about the everyday life of Romanians in Hungary.

Erno Rudas reported on the state of Hungarian-Romanian relations, and the preparatory talks on the basic agreement.

The president of the Federation of Romanians in Hungary, Gyorgy Petrusan, said they require active participation in the talks between the two countries in answering issues that concern them. Since 1989, serious progress has only been made in church affairs in their relations with the mother country.

Rapprochment for the two countries would go best if people in everyday life refuted the groundless charges about forceful assimilation and a difficult situation for the Romanian minority in Hungary, the president said. The Romanian representatives again attacked the press rumours to this effect in Romania.

Romanian Orthodox Priest Pal Ardelean asked for government help to improve the situation of his church, and to ensure conditions for its operation.

Agreement on Gabcikovo Seen as Possibility

LD1402174393 Budapest MTI in English 1722 GMT 14 Feb 93

[Text] Budapest, February 14 (MTI)—Hungarian, Slovak, and EC delegations are expected to meet for the last talks in Brussels next Tuesday [23 February] before an EC compromise proposal to temporarily settle the

Gabcikovo barrage problem might be implemented, said a spokeswoman for Ference Madl, Hungarian minister in charge of the issue.

Over the past three months, EC experts had analysed the documents and arguments of the two sides affected, and worked out a compromise proposal, which was then accepted by Hungary. After expert consultation in Budapest early February, Slovakia asked for a week's postponement to make a political decision and be able to publicize its stand, Adrienne Hajosy said.

Since the forum to rule in the Hungarian-Slovak debate is the Hague-based International Court of Justice, the two countries will have to sign a joint statement accepting the court's jurisdiction on the Gabcikovo problem. The statement's text has already been prepared by legal experts and it only lacks Slovakia's signature.

As it takes several years for the court to make a decision, EC experts have worked out a plan to temporarily direct the Danube back to its old bed. Using the objects at Cunovo, an average 70 per cent of the river's annual water volume would be directed into the common reach. The redirection would follow natural fluctuation, adjusting to the minimum ecological need, therefore, it would be suitable as a temporary solution, for about two years.

During the transitional period, international navigation would be conducted in the diversion canal. Also, at high water volume, during about two-thirds of a year, the Gabcikovo turbines would produce electricity.

Under the scheme, Hungary would be able to seek remedy by European norms to the violation of its territorial integrity by Slovakia's redirecting the Danube. At the same time, Hungary could maintain its stand based on the priority of ecological aspects.

Serbian Threat on Other Countries Viewed

AU1202140893 Budapest MAGYAR HIRLAP in Hungarian 8 Feb 93 p 7

[Editorial by Hanna Szalay: "I'll Eat You All Up, Little Mice!"]

[Text] Many people might have been gasping for air when they heard on the radio what the chief of little Yugoslavia's Air Force said, namely that Belgrade considers as aggressors all those who allow their territory to be used for possible aggression. Although General Bozidar Stevanovic softened his statement by some future and conditional tenses, this does not at all change his threat.

The "message" is essentially the following: Beware, little mice! Everyone who does not have an Uncle Sam is a mouse here. As soon as compliance with the UN sanctions or military enforcement of the Bosnian air exclusion zone are seen as aggression, it is possible to deal a blow to one who provides airport or communication infrastructure, or other things to achieve this. On NATO members Greece or Italy, little Yugoslavia will hardly take its revenge for the insult it suffered. It will much rather do this to countries that do not have a security background, for example Hungary. A small bomb on Paks [site of nuclear power station].... It is 80 kilometers from the border. What is that for a MiG-29? However, this apocalypse would also radiate to Yugoslavia, probably engulf Milosevic in its sweep, and it is actually at this point that we find out that the experts on the first page of this newspaper [see referent item] are probably right in saying that this is scare tactics intended for mass consumption. The forest effect is also evident (when you are frightened in the dark forest, you shout).

Serbia-Montenegro has come to the brink of economic collapse. The UN sanctions are working.

It is not possible to break out of this situation through Stevanovic-threats and even less so through their implementation. However, these kinds of statements might be good for blackmailing those affected. It can for example blackmail the Clinton government, which has not yet formed its Balkans policy. It will probably not have one until 25 February, the announced date of the Russian-U.S. foreign ministerial meeting, where this is expected to be one of the main issues. Belgrade is experiencing a good two weeks of breathing space and Milosevic has probably read Lenin.

However, the non-NATO neighbors are probably also among those to be blackmailed. The Hungarian Government is in a delicate situation. It has acknowledged that Milosevic is to be seen—even though only to a limited extent—as the winner of the elections, it must live with him, but this cannot mean that it also has to smile at him. The government will not surrender the country—people close to the government have stated—and it will seek adequate defense. We might even get this in return for allowing AWACS aircraft into the country, but this might be a "Pyrrhic" victory. Taking [Democratic Charter leader] Gyorgy Konrad's advice, we should still consider issuing a statement to the effect that no one can receive any kind of threat from our country, thus creating a situation where defenselessness will be out of the question. One wonders, of course, whether this would be appreciated by Belgrade.

Serbia Said Readying 'Pre-emptive' Strike

LD1402190793 Budapest Kossuth Radio Network in Hungarian 1700 GMT 14 Feb 93

[Text] According to the information of a German radio station, Belgrade is ready to launch a missile and bomb attack against Hungary if NATO decides on armed intervention. Gyorgy Bernat reports:

[Bernat] The Budapest correspondent of the Deutschlandfunk radio has received information that plans have been prepared in Belgrade for an alleged preemptive military strike against Hungary. These have been worked out by the Serb chief of staff, and the

so-called Supreme Defense Council has already approved them, the German radio correspondent said. He also said in his commentary that Hungarian airspace will be assigned a decisive role if NATO or the United Nations decide on military action in former Yugoslavia. The Serb pre-emptive strike would also be linked to this. They would bomb and fire missiles at Hungarian roads, railways, airports and chemical industry plants of strategic importance, it was said today on Deutschlandfunk radio.

Referring to General Shalikashvili, the correspondent also said that in the course of the West's preparations for military action, Hungarian interests have also been taken into account. In view of the Hungarians living under Serb oppression in Vojvodina, a conflict cannot be excluded between Budapest and Belgrade, the German correspondent said. The Hungarian Government, however, wants to pre-empt this conflict; for that reason it is expecting from NATO a decisive stance that will have a deterrent effect.

General Shalikashvili's opinion, too, is that a clash of this kind is unacceptable, because the security of the NATO states is closely linked to that of the East European countries. Nevertheless, guaranteeing the peace has to be linked with creating peace. The correspondent did not elaborate on this. He did add, however, that Hungary's NATO membership is at present not on the cards; at the same time it will soon become possible for the experts of the North Atlantic organization to train Hungarian tactical units, it was said today in Deutschlandfunk radio's Budapest report.

[Announcer] What did the Hungarian Defense Ministry know about this? Robert Rihard Kiss has telephoned Lajos Erdelyi, Defense Ministry spokesman.

[begin recording] [Erdelyi] I do not believe that such a plan has been prepared; you are asking my personal opinion, but it is very different, private opinion is very different from what somebody says on the basis of facts.

[Kiss] You say that this information will be checked out. When can we expect to learn something about this, whether such a plan does exist, and by when it is expected that we perhaps work out a counterplan if this information is true?

[Erdelyi] I do not believe that it would happen in the way you just described. I do not believe that an examination will be carried out now, on the basis of your information, on whether this information is true or not.

[Kiss] If, let's assume, it is true, what will the Hungarian Army have to do?

[Erdelyi] The Hungarian Army does what it is called upon to do and what task it is given.

[Kiss] Are the Army leaders preparing a plan to pre-empt this strike?

[Erdelyi] You are asking me about things, we are talking about a hypothesis. I would not like to create any kind of panic and it is precisely for this reason that I have said that according to my personal view, if such a plan is prepared it is not usually publicized, especially not when it is approved by the highest state leadership of a country. [end recording]

Antall Meets European Armed Forces Commander

LD1502160493 Budapest MTI in English 1525 GMT 15 Feb 93

[Text] Budapest, February 15 (MTI)—Hungarian Prime Minister Jozsef Antall on Monday [15 February] held private talks with General John M. Shalikashvili, commander in chief of NATO's European Armed Forces.

Discussions were held about direct relations between Hungary and NATO, the role of NATO in the European security systems, in the UN's peace-keeping activity in Yugoslavia, and the problems of the Central-East European region in general.

The multilateral assistance opportunities by NATO for Hungary, as well as technical and security issues related to the presence of AWACS aircraft, were also discussed.

The Hungarian prime minister summarized Hungary's position in the Yugoslav issue, the international political importance of its particular geographical, economic, and political situation, the protection of the Hungarian minority in Yugoslavia, and of ensuring Hungary's integrity.

The sides agreed in the outstanding role of Russia in the settlement of the Yugoslav crisis.

General Shalikashvili briefed the Hungarian prime minister, also on behalf of NATO's General Secretary Manfred Woerner, on the organization's position towards Hungary.

On behalf of NATO, he voiced appreciation for Hungary's foreign policy and conduct, for its repeated declaration of commitment for the Euro-Atlantic idea.

Martyoni: Membership of EC Should Be Based on Sound Economy

LD1502190693 Budapest MTI in English 1831 GMT 15 Feb 93

[Text] The Hague, February 15 (MTI)—The standard for European Community membership should not be the wealth possessed by the applying countries, but rather the soundness of their economies, including harmony with the EC's legal and economic mechanism, Hungarian Foreign Ministry Parliamentary State Secretary Janos Martonyi pointed out upon the opening of the conference held in The Hague on Monday [15 February] entitled "Hungary and the EC."

Martonyi attached crucial importance to the period to go until the June Copenhagen EC summit, when the community is expected to adopt a position in relation to the quest of the Visegrad group, comprising the Czech and Slovak Republics, Poland and Hungary, towards EC membership, recognizing it as a common aim formally as well.

The one-day conference, organized jointly by the European Movement, The Hague Office of the European Parliament and the Hungarian embassy to The Hague, was also addressed by Richard Horcsik, MP for the Hungarian Democratic Forum and chairman of parliament's Committee for European Community Affairs.

In his lecture, Martonyi said that contrary to countries with which admission talks are in progress and membership is opposed by a major proportion of the population, Hungarians overwhelmingly support the idea.

If the Copenhagen summit declares the community's long-anticipated commitment, if not legally but morally, to accept the Visegrad countries as members should they meet the required conditions, it would give both prospects and encouragement to the region's political and economic development, Martonyi said.

Answering a question, the state secretary disassociated himself from Czech Prime Minister Vaclav Klaus's opinion that the Visegrad cooperation is an outdated formation called into being by Western initiative.

To Hungary, the EC link is of top priority, but this does not mean the rejection of the Visegrad scheme, which came into existence spontaneously, and never wanted to take the place of COMECON or replace EC relations, Martonyi said.

AFD Parliamentary Group Leader To Resign

LD1102140193 Budapest MTI in English 1327 GMT 11 Feb 93

[Text] Budapest, February 11 (MTI)—Parliamentary group leader of the Alliance of Free Democrats [AFD] Marton Tardos confirmed on Thursday [11 February] he was planning to step down at a parliamentary group meeting to be held over the weekend.

Tardos spoke at a briefing, where leaders of the largest opposition party informed the press on the agenda of the three-day parliamentary group session, to be held in Tata, Western Hungary.

Tardos, heading the AFD parliamentary group since December 1991, said he was stepping down in favour of Gabor Kuncze, currently AFD MP [member of parliament] representing a Pest County constituency. Kuncze will be the only candidate for the post.

Citing reasons for the decision, Tardos said as differences of opinion within the AFD had eased since the deputies' meeting last November, there was less need for the conciliatory role taken by him 18 months ago. At the same time, in preparing for the 1994 general elections, it would be useful for new officials to get a chance in the AFD to prove their political talent.

Tardos said, from now on, he wanted to work on economic plans, and on drawing up a draft which may later be used as policy guidelines for a future coalition government.

He said in the decision to resign he had been guided by rational and organisational considerations instead of political ones, and thought Kuncze was talented and suitable to fill a leading political position.

AFD Chairman Ivan Peto remarked, by trying out new officials, the party wanted to emphasize its popular character.

Ivan Szabo Named as Finance Minister

AU1502155093 Budapest MTI in English 1133 GMT 12 Feb 93

[Text] Budapest, 12 February (MTI)—Trade and Industry Minister and government party Hungarian Democratic Forum [MDF] insider Ivan Szabo will replace Mihaly Kupa, former independent parliamentary deputy and briefly MDF member, as finance minister, government spokeswoman Judit Juhasz told the press on Friday [12 February]. Szabo said he would continue his predecessor's policies.

Prime Minister Jozsef Antall asked Szabo to take over the post separately, before the government reshuffle, because the former ministers were relieved as of 22 February but, unlike the others, Kupa, again to be an independent deputy, refused to stay in office until then.

Szabo told journalists he had the same views as Kupa on all basic issues, and wanted to continue the policy of economic transformation known as the Kupa program. Economic policy, vital for the long-term future of the country, must not be distorted by promises aimed at the forthcoming elections, he added.

Szabo went on to say there was full agreement also on privatisation guidelines between him, the government, and Kupa. In Hungary, the finance minister is responsible for government economic policy, as head of the "economic cabinet."

Kupa held different views from those of the privatisation minister on certain methods of privatisation. There is no final government decision on issuing credit coupons and creating a new class of entrepreneurs, Ivan Szabo said.

Also, the government's committment to repaying foreign debts remains unchanged.

Szabo, 59, an engineer and economist, was a founder member of the largest government coalition party, the Hungarian Democratic Forum, of which he has been a senior official since 1990.

German-Polish Asylum Talks Fail To Yield Results

AU1202115993 Warsaw RZECZPOSPOLITA in Polish 10 Feb 93 p 1

[Report by Bonn correspondent Krystyna Grzybowska: "Each Side Clung To Its Own Views"]

[Text] The German-Polish talks on the subject of Poland's acceptance of illegal refugees and asylum-seekers, viewed with great interest by the German media, ended in Bonn on Tuesday [9 February]. A joint communique was issued saying that both sides agree that the problems of refugees and asylum-seekers must be resolved primarily within the framework of European politics, and with the aim of distributing the burden on individual countries equally. At the same time, the two sides affirmed their commitments stemming from the 29 March 1991 agreement, this agreement itself being a result of the Schengen Agreement.

Both countries will aim to conclude an agreement that will come into effect as soon as the German Bundestag has passed a new asylum law. This agreement is to apply to future asylum cases, and not so-called "old cases." A joint working team will also be appointed in order to continue bilateral talks. A new round of talks, to be held in Warsaw, was announced.

This rather dry communique conceals a host of controversies and bones of contention caused by each country's differing interpretation of the commitments dictated by the Schengen Agreement. At a news conference, Polish Interior Vice Minister Jerzy Zimowski and his German colleague, Johannes Voecking, displayed two different ways of interpreting the problem of illegal refugees. To the Germans, such refugees are not the only ones who crossed the FRG border illegally, but also most asylum-seekers who have entered Germany since 1988 and whose applications for asylum are still be processed. That gives a huge figure of almost 500,000 people.

Minister Zimowski thinks that the Schengen Agreement permits the expulsion of every alien who has entered Germany from Poland illegally. Since July 1991 Poland has been adhering to this agreement very closely. It is the price Poland has paid for the lifting of visa requirements for Poles by practically every single Western country. The problem of refugees who entered Germany illegally and whom Bonn would like to expel to Poland was the most difficult part of the talks. In Poland's opinion, persons who entered Germany and are still awaiting the outcome of their application for asylum are in Germany legally. "We must aim to conclude a bilateral agreement," said Zimowski, "but the road is still long and very hard. We have only taken the first steps."

Johannes Voecking, secretary of state in the German Interior Ministry, admitted that if Poland's stance on this matter were to be accepted, there would be only 30,000 people in Germany who had arrived from Poland illegally. Voecking confirmed that the problem of illegal refugees and asylum seeks will be discussed in Budapest on 15 and 16 February during the international conference of interior ministers, attended this time by the interior ministers of the Czech Republic, Hungary, and Austria.

The most important point of the Polish-German talks is Article 2 of the agreement between Poland on the one hand and Germany and the remaining Schengen signatories on the other, in which Poland commits itself to taking back persons who are in Germany illegally, including aliens who transited through Poland. Article 5 of this agreement states that temporary residence permits issued pending the outcome of an application for asylum are to be included among the various kinds of residence permits that will not prevent expulsion.

This permits a broad interpretation. Can one expel an asylum-seeker only after his application has been considered, or also before it has been considered? The Germans think he can be expelled before. Indeed, such an interpretation is permissible, which would mean that Poland is in a trap. Apart from this, on 11 December 1991 an agreement was signed on the technical conditions for expulsion, in which statements by witnesses, an asylum-seeker's own admission, and even the language he speaks may all be considered evidence that he arrived in Germany via Poland. So if someone speaks Russian, he could be suspected of having arrived in Germany via Poland.

On Tuesday, the government coalition placed before the Bundestag a bill on the practical rules governing the new asylum law. The government wanted this bill to be debated already on Friday, instead of 5 March as planned. The bill is formulated in such a way as to make it look as if all issues have already been resolved with Poland and the Czech Republic in accordance with Bonn's expectations. This does not alter the fact that both issues are separate and it is difficult to imagine Bonn passing this bill without an agreement with Poland.

Easterners To Need Invitations To Enter Poland

AU1202115693 Warsaw RZECZPOSPOLITA in Polish 10 Feb 93 p 2

[Report by Zbigniew Lentowicz: "Invitations With Conditions Attached"]

[Text] Prime Minister Hanna Suchocka has decided to control the influx of visitors from the East by means of invitations, rather than visas. Specific proposals in this regard will no doubt be presented by the government soon.

There are major reasons why invitations are preferable to visas. If visas were introduced, Poland's neighbors might retaliate and demand visas from Poles. This would restrict private trips by Poles to eastern countries, all the more so because some of these countries still do not have developed consulate facilities in Poland. A visa requirement would also be a blow to ethnic Poles in Ukraine

and Belarus. "International law does not make any ethnic distinctions when it comes to international tourism," says Wojciech Tycimski, director of the Foreign Ministry Consular and Migration Department. Apart from that, the introduction of visas for travelers from the East would be viewed askance in the West in the light of Poland's efforts to make more Western countries abolish the visa requirement for Poles.

The new system for controlling the flow of visitors from the East is still in the planning stage, but Piotr Szczypinski, chief of press services in the Interior Ministry, says that invitations issued to eastern visitors would have to be filed at the civic affairs departments of voivodship administrations. The host would have to guarantee accommodation for his guest and undertake to pay for medical costs and the costs of an eventual deportation should the guest violate Polish law, and the voivodes would decide whether or not to implement a deportation.

The present situation is in urgent need of change also from the point of view of the border control services. Of the 7.7 million tourists from former USSR territory who tried to enter Poland in 1992, the Border Guard refused to admit 30,000. Of these, 16,500 re-attempted admission by means of false invitations. "Travelers are very often ignorant of the fact that the invitations they have bought in street markets are false," says Captain Jaroslaw Zukowicz of the Border Guard Chief Command.

"A veritable trade in false invitations has been flourishing in Bialystok for years, and for some people this is a permanent source of income," claims Gregorz Rykowski, director of the Civic Affairs Department in Bialystok Voivodship. "No one has attempted to impose any commitments on those issuing invitations, and there are people who have 'produced' invitations in their hundreds. But when and if these invitations are made official, we will register them."

According to Mariusz Grzeda, director of the Passport Office in Przemysl, the registration of invitations is yet another example of eliminating the effects rather than the cause. It will only improve the situation temporarily. "There is no doubt that people adapt themselves to whatever new rules come into force," he says. "It will always be like that as long as the economic disproportions between the two sides of the border exist."

Number of Illegal Border Crossings Grows

LD1202144093 Warsaw PAP in English 1414 GMT 12 Feb 93

[Text] Warsaw, Feb. 12—The number of attempts to illegally cross Polish borders is growing. Border guards detained 1,458 people last January, including 789 Romanians, 192 Bulgarians, 162 Poles and 85 Ukrainians, press spokesman for the border guards headquarters Captain Jaroslaw Zukowicz said Friday [12 February]. Meanwhile, additional 1,000 German border guards were transferred to Germany's eastern border this week on the order of FRG Interior Minister Rudolf Seiters to prevent further illegal crossings into Germany, ADN reported on Friday.

Sejm Adopts Budget for 1993

LD1202190393 Warsaw TVP Television First Program Network in Polish 1830 GMT 12 Feb 93

[Text] Ladies and Gentlemen, at this very moment the budget for 1993 has been voted upon definitely. You can hear how they are clapping: 440 deputies voted; 230 deputies for, 207 against, with three abstentions. This means, Ladies and Gentlemen, that the Budget Law has been adopted by the Sejm.

Earlier the Sejm rejected practically all the amendments that would have increased the budget deficit.

Suchocka Speaks on Budget

LD1202144293 Warsaw Radio Warszawa Network in Polish 0830 GMT 12 Feb 93

[Speech by Prime Minister Hanna Suchocka to the Sejm in Warsaw—live]

[Text] Mr. President, Mr. Speaker, may it please the House: The vote on the budget, which we have been discussing since yesterday, is one of the most important decisions in the democratic state. It is the parliament's right to introduce amendments to the government's plan of state income and expenditure. However, the government has the right, even the duty, to refuse to implement a budget which is an expression of a different economic concept.

If parliament passes a budget which, in the view of the government, cannot be implemented, then the government cannot take responsibility for its implementation. In a democracy this means the resignation of the government and the taking over of this responsibility by those [applause] who gain support for this alternative concept of the parliamentary majority. One cannot be forced to implement a program in which one does not believe and which, according to one's beliefs, goes against the interests of the majority. This government does not believe in reforming the economy by printing paper money. [applause] If we decide to adopt laws which cause an unacceptable increase in budget expenditure we would be depriving ourselves of the means to rule the state.

Seven months ago we undertook the task of putting the problems of the state straight. When I spoke then on behalf of the government I stressed the need to stabilize the political situation and to overcome the crisis in which Poland found itself last year. The government undertook the task; the finance minister spoke about sorting out public finances and immediately started to work on the budget. We knew then that the economy cannot be burdened any further by budgetary expenditure. On the other hand, the thorough reform of the two most important public sectors—education and health care—requires more time.

This applied to a budget which would not be a burden for society and which, at the same time, would not put the economy back into the situation it was in four years ago—hyperinflation and chaos on the market. And this kind of budget was prepared. The whole effort went into restoring stability in Poland. We regained our good name in the opinion of foreign partners. One can clearly see that the courage of Polish reformers has paid off. Thanks to their courage and determination, Poland experienced the lowest decline in production in our region connected with the transformation to the new system. At present, Poland is the first to notice economic growth. There are clear consequences to the reforms started three years ago. Giving up the program at a time when its most difficult part is behind us, and when it is delivering results would be an inexcusable mistake. [applause]

Today the Sejm is answering the basic question regarding the budget: Can Poland strengthen its opportunity for development or will it loose it?

Increasing the budget deficit above the limit is an enormous risk. It is not true that the deficit can be handled easily. Statements to the effect that constant economic growth can be achieved by printing more money are not true. In no country in the world has growth been achieved by printing money.

May it please the House, we must ask about the sources of the budget deficit. I do not want to speak broadly and in detail about it. The finance minister has been speaking about it. I would like to make just a few remarks. First, the budget revenue comes mainly from taxes. One cannot burden the economy and citizens by them. Increasing them would bring about a situation in which the total amount of budget revenue would decrease.

For example, if, as occured between May and November last year, the turnover tax on cars is increased, demand for these will quickly fall and, in effect, budget revenue will decrease. Of course, what is most important is the efficient collection of these taxes. This has been debated from this tribune. With this in mind, we submitted a law taxing tobacco products as well as marking goods with excise duty stamps. A tax on goods and services, which will be easier to implement, will soon come into force. On the other hand, the possibilities of reducing expenditure are small. For example, further savings in the material expenditure sphere would mean a deterioration in public assets, schools, hospitals, roads, and cultural centers. In turn, this would result in restrictions in government orders to Polish enterprises leading to a recession in sectors that depend on government purchases. Apart from this, with limited budget revenue and material expenditure already reduced to a minimum, the possibilities of increasing expenditure on wages in the public sector, pensions, and social benefits are very modest. Ladies and gentlemen, we have submitted to the Sejm a draft budget within the scope of our economic possibilities. It covers planned expenditure and creates opportunities for greater access to and lower interest on credits. It allows Polish money to retain its value. It creates possibilities for cooperation with international financial organizations.

It is my duty to present to you, Ladies and Gentlemen, and to public opinion, the consequences of rejecting this budget and increasing the deficit. First of all, an excessive deficit is synonymous with the imposition of a new tax on the public, an inflation tax. This is invisible, but we are all aware of it when we pay ever more, considerably more, for our daily purchases. Not everyone understood this three years ago. Today, however, Poles are not inclined to believe the arguments of demagogues. They do not want to return to a situation which we remember from a few years ago: galloping price rises and confusion in the market. In such circumstances, even threefold-increases in pensions and wages will quickly lose their value and, as usual, this will especially harm the lowest paid.

Second, the implementation of laws increasing the states's financial obligations, passed in December and January, would increase the deficit to 160 trillion zlotys. This threatens inflation exceeding 100 percent. It must also result in increased interest rates on bank credits. State and private enterprises, farmers, people paying off housing credits, and those counting on them in the future would lose out. The result would be a brake on economic growth in Poland. Our ambition of doubling national income in the next 10 years would come into question.

Third, an excessive deficit will have to be financed. The resources that the banks would have to allocate for this purpose would not, therefore, reach enterprises in the form of credits. This would be another element putting a brake on economic growth. Thus, the two main barriers to development—insufficient credits and their being subject to too high interest rates—would be an even greater nuisance. Such a situation would not only stifle economic growth. The only way to avoide high inflation would then be more shock therapy, which we cannot agree to.

Fourth, increasing the deficit beyond its acceptable limit would result in the loss of a chance to write off the $12 billion debt. I will briefly cite other losses, since deputies know them well. We would not receive $650 million to strengthen the Polish National Bank reserves; $300 million for rural infrastructure; $450 million for the financial restructuring of banks and enterprises; $150 million to modernize roads; $110 million for education; and $150 million for aviation. I have cited this list because I would like those deputies who will be voting against the government budget bill to inform their electorate. [Applause]

Fifth, it must be clearly stated that an increase in the deficit is a proposal to live on credit. The public cannot apply rules of economic management that are at odds with the logic known to every family. It is a rare family indeed which depends on more than it has. We cannot burden future generations with difficult debts to repay.

We had such a situation on a state scale in the 1970's, and we are still feeling the effects today.

May it please the House, just after its appointment in July last year, the government put forward an initiative to negotiate a pact on the state enterprise with the trade unions and employers' organizations. We invited all trade union federations to the talks. In September we submitted concrete proposals to our partners, and in October talks began. The agreements with Solidarity, the National Trade Union Accord [OPZZ] and other trade unions, initialled shortly afterward, form the basis of legal documents which the government will submit to the Sejm. These policies received the backing not only of the government's supporters but also of many of those who had previously protested or gone on strike. We decided to create a solid basis for cooperation with the trade unions, and to a large extent, we have succeeded.

In the past half year we have had to deal with two waves of strikes. These conflicts were solved according to civilized standards, without undermining the economic achievements so far. This was a defeat for the demagogues. It appears that many of those who were recently counting on the prolongation of the strikes are today counting on a budget disaster.

Mr. Speaker, may it please the House, as I have already said, today's vote is essentially a vote for the road which Poland will now take, for a specific program as reflected in the zloty. If deputies adopt a different budget to the one we have presented, none of the basic economic aims recently accepted by the Sejm will be achieved. Here, I want to remind you once again that four months ago, the Sejm accepted the government's socioeconomic policy principles, constituting the basis of the budget which was then submitted. A vote against the govenment submission today will have to signify a retreat by the Sejm from that decision. The determination of economic policy requires openness to the arguments of others, respect for various interests, and a readiness to compromise. This government, being a coalition government, bases itself, in principle, on a readiness to compromise and, contrary to the charges of opponents, that is its asset. However, there is a limit to all compromises which is defined by the common good. The crossing of this limit turns compromise into irresponsibility.

Let me repeat once again. If parliament adopts a budget that cannot be implemented, a budget of illusory promises and destablization, the government will have to resign. [Applause] Poland is coming round the final bend. We are seeing many favorable phenomena within the economy. We are pleased at the growing international confidence. Poland can be a normal country. I believe that those who want this normality will today support the draft budget presented by the commission. Thank you very much. [Applause]

Osiatynski Addresses Sejm

LD1202205293 Warsaw Radio Warszawa Network in Polish 0808 GMT 12 Feb 93

[Speech by Polish Finance Minister Jerzy Osiatynski at 12 February Sejm meeting—live]

[Text] May I ask for silence? Please stop all invidivual conversations.

Mr. Speaker! May it please the House. The draft budget for 1993, adopted by Sejm Commissions, differs in detail from the government proposal, but in the Government's opinion it is still a realistic budget, although without doubt a very difficult one. It envisages that revenues will amount to 433.5 trillion zlotys [Z], and expenditure to Z514.5 trillion. The end of year deficit ought not to be higher than Z81 trillion.

When in December, on behalf of the Council of Ministers, I presented the draft budget for 1993 to the House, I said that it was difficult, that it would need iron discipline, and that parliament would have to make unpopular but essential decisions.

Together with the draft budget, the Sejm at the time received draft changes to laws essential for the implementation of the budget. The most important changes proposed by the Council of Ministers were: to replace the automatic index-linking of public sector incomes by lump-sum increases; a lower index-linking of old-age and disability pensions; and changes in the tax laws. Let me remind you that the previous announcement of such legal regulations was to be found in the assumptions of the socio-economic policies for 1993 that were adopted by the House on 17 October last year.

The Sejm decisions made within the last months regarding wages in the public sector of the budget and old age and disability pensions do not accord with [these] assumptions. The consequences are an increase in the budget expenditure to a level that makes it impossible to compensate for them by increasing revenues or reducing other expenditure.

The House also approved lower taxes on energy carrier goods and services than those proposed by the government. We estimate that it is going to cause a reduction in budget income in the second half of this year of around Z7 trillion. In effect the size of the deficit should have been increased by this amount. An increase of the budget income to balance the reduction carries a great risk and may be impossible to achieve. An even greater risk, in the government's view, comes from reducing expenditures in order to balance the budget. That is why the government has pronounced itself in favor of the commission's motion, changing only the structure of obtaining additional income.

However, frankly speaking, in the light of these changes a probable state budget deficit should be expected to be higher than Z81 trillion. The government, however, does

not see possibilities for financing expenditures on valorization of wages in the state budget sphere from this year's budget as approved by the house. It also concerns a 100-percent valorization of pensions and old-age pensions. Accepting the Sejm decision would mean increasing budget expenditures by an additional Z40 trillion. Let me recall that the Sejm commissions proposed an increase of these expenditures by around Z32 trillion. This motion was rejected by the Budget Commission, but we could not avoid discussion on the issue in yesterday's debate. In effect, the acceptance of the decision of the house would necessitate increasing the budget deficit to a level two-fold higher that in the government's proposal.

Mr. Speaker, may it please the House. The government is convinced that this is not possible, and that the consequences of making such an impossible decision would be fatal for the economy. Last year we managed to finance a deficit of less than Z70 trillion, while under the budget law this deficit could have reached Z80 trillion. That happened because at the end of the year the demand for government securities declined significantly and the government was unable to incur as many new debts as it had wanted. We estimate that this year we will succeed in finding sources to finance the deficit in the banking sector and outside it at most up to Z50 trillion, while the Polish National Bank [NBP] is prepared to cover no more than Z30 trillion of the deficit. That is why a deficit of Z81 trillion is the upper limit of what we can count on in 1993. I would even go as far as to say that this is an estimate on the very verge of reality, while the statement that it is possible to find sources for financing a deficit of Z100 trillion or more has no basis whatsoever.

However, should the house decide to increase the deficit above this—according to us the maximum figure—we have to be aware of the consequences of such a provision in the budget act. Above all it would mean changing the assumptions concerning inflation, economic growth, and the balance of payments. Higher inflation means a higher costs tax which will be paid both by the rich and the poor; it means more expensive credits, both those which we have to repay and those which we only want to get; and it means damaging the competitiveness of our commodities abroad. Higher inflation means pushing the Polish economy back on the road along which it is proceeding with such great difficulty. These are matters so often debated in this chamber that I do not think there is any need to justify them here in detail.

In the debates about the budget the argument was raised that the size of the deficit had been coordinated by the government with the IMF. This fact is even turned into a censure of the government. Indeed, in the Letter of Intent which is the basis of a new accord with the Fund, we speak of a deficit of Z81 trillion, that is about 5 percent of the gross national product. But the dimensions of this deficit had first been defined by the government on the basis of our very own assessment of our possibilities in accordance with our own prognoses of production increase, inflation, the money supply, and other economic parameters in 1993. These forecasts—and the deficit involved—were only then presented to the IMF. Just as with all the long and hard work within the Sejm commission with regard to economic policy, the budget, and finances, it has proved impossible to show that the deficit forecast by the government could be increased without increasing inflation. So after discussions with the IMF it has turned out that a decrease of this deficit is not possible and that a deficit of this size and the remaining macro-economic criteria have been accepted by the Monetary Fund.

If the size of the budget deficit for 1993 is an expression of any kind of diktat, then it is only the diktat of tough reality—of production, prices, the supply of money this year, and so on.

During the discussion [yesterday in the Sejm] many questions were asked. I would like to give answers to some of them. The first question that sums up the questions of several deputies who spoke yesterday: Does the government really not care about the revenues from taxes and customs duties and all that goes with them? May it please the House. You are well acquainted, Ladies and Gentlemen, with the drafts of laws which have been sent on to the Sejm or which will reach the Sejm shortly. They concern—speaking very generally—the revenue banding of goods liable to excise duties (?and) the tobacco monopoly, and the possibility of recovering the amounts due to the state treasury.

Some of these legislative provisions were debated yesterday. These are however, it turns out in practice, laws and legislative provisions which are very difficult and which arouse various doubts, since they often necessitate a change of one's thinking regarding the revenues of the state treasury in relation to civil obligations between companies.

Many practical actions are also taken. We publish information in the media on multibillion outstanding liabilities which have been uncovered as a result of investigations carried out by fiscal control offices and by fiscal police. It is, however, one thing to uncover irregularities—and we are doing that—but it is another matter when it comes to exacting the money to the state budget, which exceeds the ability of the fiscal apparatus and requires more time.

Yesterday an objection was raised concerning one of voting on a proposal leading to reducing the opportunity for profit to cost transfer. Indeed, the minister of finance voted against the solution. He voted against because we do not share the view that empty gestures should be made. The proposal put forward yesterday had no practical use whatsoever and no chance of implementation. That is why we vote against empty gestures. But in many cases we vote for amendments which would give us more effective control, and through that we would increase the income of the state treasury. Very often, and not only in yesterday's debate, tax arrears of the state treasury are mentioned. I would like to ask: Does the house really

want the government and the minister of finance personally to demand an immediate payment of money due from the Polish State Railways [PKP], the Polish Airline LOT, the Transportation Equipment Plant in Mielec, and from nearly all shipyards? This would mean the immediate liquidation of these enterprises. These are the questions we are facing and we have to answer them every day.

Somebody said during yesterday's discussion something to the effect that everybody in today's Poland is dissatisfied, that there are only dissatisfied people. It was directed above all at employees of self-financing enterprises. Is it really like that? Do employees of Zamech, Wedel, and many other enterprises have reasons to be dissatisfied; do they feel that their situation has deteriorated in today's Poland? That also includes state enterprises which last year showed better adapting and restructuring abilities than so far. This adaptation and restructuring arise from the conviction that there is an iron financial discipline. And these enterprises, in order to improve their condition, must begin to manage their businesses better and not spend their time in the waiting rooms of this or that state administration office.

Macroeconomic results for the past two or three years were mentioned yesterday: that the cumulative results in Poland are today worse than in Hungary or Czechoslovakia. This may be true, but one must remember that whereas in Poland the reform is in its third year, in those countries it has been two at most, and therefore such an accumulation, one for three years and one for two, cannot be comparable. Should one, however, compare two-year periods, then these results are, on the whole, no worse in Poland—in many cases they are better than in Hungary or Czechoslovakia.

Prices are the only exception, but the same deputy who spoke about this also spoke about different moments in time and spoke truly when he said that the initial state of the Polish economy was a great deal worse, that [there is] an internal imbalance, and therefore [the need for] an adjustment of prices for a short period of time in Poland had to be far greater than in Hungary or Czechoslovakia, where, from the beginning, the state of the internal market balance was far more satisfactory than in Poland.

We are at the moment basically faced with a certain paradox: let us recall how we assessed last year—when the budget was being examined, and therefore in effect the assumptions of the socio-economic policy for the year just past. In light of the possibilities for economic expansion, yesterday's discussion was in effect a repeat of the discussion that took place last year, and yet in 1993, despite a catastrophic drought and a fall in agricultural production of almost 12 percent, we have, since spring last year, had an uninterrupted rise in industrial production and we have had a rise in the gross national product, the first in four years. Perhaps this is so, not despite but rather thanks to a consistency in policies expressed by a macroeconomic discipline and the enforcement of transformations [wymuszanie przekształcen]. Thanks to this instrument the paradox lies however in the fact that, in conditions when it would seem that we are reaching a straight road, there arises the problem of how we might take advantage of the first signs of improvement in conditions, the first signs of an upturn.

This is of course a very difficult problem, because we would like—and this is the Government's intention—to exploit these signs to the greatest possible degree for investment, for further processes of economic revival and growth, which would allow Poland in a short time to catch up with those countries that are more developed than we are. They are also defined in terms of possibilities for state budget revenue, which were not questioned during the debate.

Ladies and Gentlemen, you yourselves admitted during the course of yesterday's debate, that the revenue side of the budget was presented in an honest way, in the best way possible, given today's level of knowledge and today's recognition of this year's economic processes. Nevertheless, I would like from this tribune to make the following promise: Were it to transpire this year that, in the process of implementing this budget which the government has presented to the esteemed chamber, were it to transpire that state budget revenue is greater than expected today, we will want to allocate this additional revenue, above all, toward an improvement in remuneration in the public sector. We are aware of how deprived the state sector is, and we want to allocate those resources that we manage to acquire over and above the plan toward increasing remuneration in this sector.

I would also like to say that we are most concerned with social security conditions. The draft government submission contains a solution that allocates a sum of Z1.5 trilion, located at the moment in the finance minister's reserves, to the possibility of increasing social benefits, including housing benefits. The government will maintain these proposals, which at this moment are part of the commission's submission. We shall strive to ensure housing benefits so that, from the resources remaining within the Council of Ministers' reserves, we transfer Z1.5 trillion, which would mean a reduction in family benefits, social security, and housing benefits [sentence as heard].

Mr. Speaker, may it please the House. In December I said in this chamber that the Government budget draft was the result of a very difficult compromise between the achievable revenues and the necessary expenditures. This statement remains true. However, the house has made several decisions that break the structure of this budget. The government, presenting the draft budget at the time, noted that without making difficult and unpopular decisions it saw no possibility of implementing it. For the government that is still a binding view, and that is why we have offered parliament amendments to the

budget act. In these amendments we included the statutory definition of indexing old-age and disability pensions with a 91 percent index for 1993, and the introduction of the principle of lump-sum pay increases in the state budget financed sector, as well as abandoning the linking of the size of subsidies for the administrative fund of the agricultural social insurance society to the size of its spending on old-age and disability pensions. We also proposed other, lesser amendments, which have been considered and which are an inherent part of the report.

Mr. Speaker, may it please the House. The government asks for the adoption of the draft budget submitted by the Commission for Economic Policy, Budget, and Finance. As I said earlier, we think it is very difficult but still possible to implement. It requires that decisions be made, without which the adoption of the budget act is not possible. We are convinced that these decisions are really necessary. If we do not make them today, the only result will be a postponment of the problem and the need to come back to these decisions, but in an even less favorable situation. On the other hand, we will waste the whole success of the last three years, during which the economy, as a result of unprecedented reform, began to move from recession toward a revival.

Thank you very much.

Proposed Budget Amendments Rejected

LD1202193793 Warsaw PAP in English 1857 GMT 12 Feb 93

[Text] Warsaw, Feb. 12—The Sejm (lower house) on Friday [12 February] voted by 226 votes to 205 to reject several budget amendments proposed by opposition parties. The amendments rejected would have added up to 70 trillion zlotys (4.4 billion dollars) to the planned budget deficit of 81 trillion zlotys. They included the so-called "alternative conception" of the budget proposed by the right-wing nationalist Confederation for an Independent Poland (KPN).

Voting on the government's draft 1993 budget, widely seen as a confidence vote in the ruling coalition, is expected shortly.

Suchocka Welcomes Budget Vote

LD1202223893 Warsaw Third Program Radio Network in Polish 2100 GMT 12 Feb 93

[Text] This house has not disappointed me, said Prime Minister Hanna Suchocka after the government won the budget vote.

[Begin Suchocka recording] Today's budget vote gives us a chance to keep our word and double the national income within 10 years. At the same time, it maintains our credibility with Western contractors, and in Western opinion, gives us such good marks. It has turned out that at such a difficult moment this coalition has risen to the occasion. This house has not disappointed me. [end recording]

Budget Approval 'Absolutely Necessary'

LD1402204893 Warsaw PAP in English 1956 GMT 14 Feb 93

[Text] Gdansk, Feb. 14—"This budget is absolutely necessary to the nation and had to be approved", President Lech Walesa told reporters in Gdansk on Sunday [14 February] prior to his departure to Warsaw.

"This budget does raise some doubts, but I am not the president in order to go into their concrete resolutions. I am a president who demands certain solutions at certain times. I think that life will provide these solutions for us, and simultaneously the main points have been maintained, that which the world and our own realism expected of us," said the president.

The president also supported the idea of granting the government the power of issuing decrees with the force of law. "Decrees are necessary at the moment, so we can consider legal and organizational problems quickly. We are building a new system on an old legal foundation," said the president.

Commenting on the results of the popularity poll published in the last issue of the "POLITYKA" weekly, in which he ranked fifth, Walesa said "I am happy that through these hard years I did not fall out of the top 10."

KPN To Appeal Against 'Inadmissible' Budget Law

LD1302125993 Warsaw Radio Warszawa Network in Polish 1105 GMT 13 Feb 93

[Text] After the Sejm had adopted the Budget Law, the Confederation for an Independent Poland [KPN] announced it would appeal to the Constitutional Tribunal that it rescind this law, which contains, as it states, solutions legally compromising and inadmissible.

The KPN Political Council declares that thanks to the manipulation of the rules of the Sejm, the alternative budget, submitted to the Sejm by the KPN, was not voted on.

According to the KPN Political Council, failure to implement the Sejm's decision, made in the interest of the budget sphere, old-age and disabled pensioners, and the unemployed, was decided by a short-lived, I quote, coalition of fear of new elections.

Walesa Signs Antiabortion Bill

LD1502202193 Warsaw PAP in English 1945 GMT 15 Feb 93

[Text] Warsaw, Feb. 15—President Lech Walesa signed the "Law on Family Planning, on the Protection of the Human Foetus, and on the Conditions of Admissibility

for the Termination of Pregnancy" in Warsaw on Monday [15 February], the president's press office said.

The law will enter into force two weeks after its official publication and will replace the existing law of 1956. Under the new law anyone, except the mother, who causes termination of pregnancy will be subject to punishment up to 2 years in prison.

Pre-natal tests are allowed only in cases when serious genetic defects are suspected.

Alternative Military Service Draft Law Almost Ready

LD1502215893 Warsaw PAP in English 2109 GMT 15 Feb 93

[Text] Warsaw, Feb. 15—The draft of new regulations on the so-called alternative military service, that is compulsory duty done by persons refusing to serve in the army for religious or moral reasons is almost ready, according to a deputy of the Democratic Union who has co-authored the draft.

Ludwik Turko, MP [member of parliament], told newsmen Monday [15 February] that the most important change in legislation postulated by the new draft makes it an obligation of respective authorities to comply with a request from a conscript to grant him the right to alternative military service.

The present legislation does not go as far as that, leaving the decision on whether or not to comply with such requests with the authorities.

Also Monday the Minister for National Defense Janusz Onyszkiewicz announced during a meeting with reporters in Wroclaw that his department was working on a set of rules of service that could satisfy conscientious objectors. One such possibility would be service in Civil Defense units dealing with the consequences of natural disasters, industrial breakdown, etc. Another one would be service in regular army units and performing duties of drivers, cooks, clerks, logistics assistants, stretcher-bearers, etc.

In any event, those doing such service would not carry arms or undergo combat training.

Minister Hopes Crisis Will Not 'Overshadow' Ties

AU1602134093 Bucharest ROMPRES in English 1050 GMT 16 Feb 93

[Text] Bucharest, ROMPRES 16/2/1993—"I am sure that the detention of Romanian ships in the Yugoslav sector of the Danube will not affect the friendship between our countries," Pavle Bulatovic, Yugoslav minister of the interior, told the daily MERIDIAN. "I am positive that Romania understands the crux of the Yugoslav crisis, I am sure of its good will in this respect. Countries like Romania can pronounce themselves for a fit, correct, rapid solution of the Yugoslav crisis," mentioned the interviewee.

Pavle Bulatovic opined that the difficulties Romania has to face in order to observe the embargo imposed on Yugoslavia by the UN Security Council represented a test for the relations of good neighbourliness existing for a long while between Yugoslavia and Romania. "The Yugoslav Government is aware of the embarrassment of Romania as regards this issue. Romania is a UN member and it has duties to fulfil in this capacity. Yugoslavia does nothing to the detriment of Romania, and we are positive that Romania understands the crux of the Yugoslav crisis, and that it will impart its opinions, despite international criticism. We do not ask Romania to do more than it can. Our relations are solid. We cannot disregard major interests, such as friendship and good neighbourliness, because of short-term interests. The crisis in Yugoslavia shouldn't overshadow the links between our states. It is very easy to cooperate under normal conditions, but we say in Yugoslavia that heroes are not so easy to identify. Applying this principle, we shall overcome this difficulty," added the minister of the interior of Yugoslavia.

FRY Convoy Goes Through Galati; Does Not Stop

AU1402210393 Bucharest Radio Romania Network in Romanian 2000 GMT 14 Feb 93

[Report by Corneliu Mihailescu from Galati]

[Text] The Yugoslav tug Komovi, which was sighted at Giurgeni harbor yesterday around 1700, sailed through the ports of Braila and Galati. Attempts were made to halt it for checks. UN observers stationed here in Galati also participated in these attempts. As far as we know, UN observers were also present at Braila last night. One of the observers, (Larry Franquist) was kind enough to make a few remarks exclusively to Bucharest radio:

Two of us were aboard one of the boats that went out to approach the convoy from Yugoslavia, as observers only. We were much impressed by the effort put forth by the port authority and its representatives. They were very well organized. The plan was well thought out. They made every effort to thwart this convoy in its passage down river. We know that it consisted of six barges. Two appeared to have cargo, perhaps grain. Two were empty, and two we are not sure about.

Iliescu Pledges To Observe Embargo Against FRY

AU1502165193 Bucharest ROMPRES in English 1550 GMT 15 Feb 93

["Ion Iliescu: 'Romania Sustains the Negative Consequences of the Embargo Against Yugoslavia'"—ROMPRES headline]

[Text] Bucharest, ROMPRES 15/2/1993—"Regardless of the consequences the measures adopted by the UN Security Council regarding the embargo against Yugoslavia entail for us, we have to observe them. We didn't do it with pleasure, we did it to observe international decisions, just as in the case of Iraq" said Romanian President Ion Iliescu in an interview to daily newspaper CRONICA ROMANA.

"In the case of Yugoslavia too we acted unequivocally, transparently, we even invited international observers to take note of that," President Iliescu said. "We cannot afford adventures in carrying out the embargo measures and observe them to the letter. However we avoided introducing elements likely to aggravate the situation and involve us in a conflict with Yugoslavia, the single neighbor with whom we have never had any dissensions. And we have no intention to break that historical tradition. We sustain the embargo with its grave consequences on our economy, just as we sustained the losses during the gulf crisis. I think in this case the consequences are even more serious."

The president went on to remind of the fact that Romania had a great amount of economic exchanges and production cooperation with the neighboring Republic of Yugoslavia and gave the example of the "Solventul Timisoara" enterprise in Romania, which used to employ 2,600 people working jointly with a company in Pancevo, Serbia, and had to shut down as a result of the embargo. Another example was "Comtim" company (pig farm), Timisoara, Romania, which had to seriously cut down the number of its animals because so far it has relied heavily on fodder from Serbia.

"What's more," said President Iliescu, "interruption of traffic on the Danube affects our relations with all the Danube countries. So effects are considerable while the hope to get compensation are inexistent."

Regarding Romania's relationship with the Republic of Moldova President Iliescu said: "The position according to which we shouldn't have recognised the independence of the Republic of Moldova is irresponsible. How can we deny a reality, a positive one—the dismantlement of the former Soviet Union and the emergence of independent states, one of which is the Republic of Moldova? What was impossible before, has become commonplace: direct communication, unhampered exchanges between Bucharest and Chisinau, economic, cultural exchanges as well as of scholarships... Beforehand everything had to

go through Moscow. So from that point of view it was necessary to recognise the Republic of Moldova and it was our duty to be the first to do it. Its consolidation represents a step ahead."

As to the current situation in the Republic of Moldova, the Romanian president said: "We of course feel sorrow over the dissent between the promoters of the assertion of that new state entity who had previously worked together for the rapprochement between our countries. But irrespective of that it is our duty to maintain open relations and promote multiplication of contacts along all lines."

The Romanian president also tackled the relations with the international organisations, with states in Europe and all over the world, underscoring the fact that they had known a permanent evolution. "Romania's integration in the European Community is not only in Romania's interest. It is in the interest of all Europe to achieve an integration of all continental states. Maintaining a discriminating attitude would neither benefit the general integration process nor the development of international life," President Iliescu said.

Cetin Hopes for Diplomatic Solution in Bosnia

AU1202220993 Bucharest Radio Romania Network in Romanian 2026 GMT 12 Feb 93

[Interview with Turkish Foreign Minister Hikmet Cetin by Doina Saiciuc in Bucharest on 12 February—recorded, Cetin answers in Turkish and Saiciuc speaks in English with superimposed translation into Romanian]

[Text] [Saiciuc] Minister Cetin, after your talks with our foreign minister, how would you comment on the role played by Romania and Turkey in this area within the context of the Yugoslav crisis?

[Cetin] Turkey and Romania are two important countries in the Balkans. We are two countries that want this situation to be solved through negotiations and peaceful means. In this new order that exists in the world, Turkey and Romania are two countries that believe that such situations cannot be solved by resorting to the use of force. At the same time, we believe that borders cannot be changed by resorting to force.

Certainly, it is very painful that the Yugoslav people, who for years and years used to live side by side, want to solve the situation in their country by bloody means.

We have no difference of opinion in connection with the fact that this situation in Yugoslavia, this tragedy, must be stopped. No international intervention, no international action has yielded any results so far.

However, at this time, actions of a political nature have been taken by the United States and we hope that this problem will be solved by diplomatic means, without resorting to the use of force.

Certainly, because of these events, many people have to suffer and, hence, the people in Bosnia. Some 130,000 people have died so far; 40,000 women of Muslim origin have been raped and, therefore, we hope that the tears and bloodshed in that area will be stopped as soon as possible. There are no differences in opinion between us regarding this problem either.

From the very beginning, we believed that the Balkan countries have to have the same attitude because as long as these events in Bosnia-Hercegovina are not halted, they may also spread to other areas such as Kosovo, Sandzak, Macedonia, and Vojvodina. This certainly poses a danger: the danger of a Balkan war.

[Saiciuc] We would like you to comment on the importance Turkey attaches to the Black Sea economic cooperation zone.

[Cetin] This is a very important and powerful organization with a population of 300 million people. I think that it is one of the most important organizations in this area.

Last Round of Talks Ends

AU1202160593 Bucharest ROMPRES in English 1446 GMT 12 Feb 93

[Text] Bucharest, ROMPRES 12/2/1993—The talks between Romania's and Turkey's foreign ministers Teodor Melescanu and Hikmet Cetin closed on February 12. The two countries' chief diplomats approached in their last round of talks regional and international problems of mutual interest. They referred to the latest developments in the Black Sea, with stress on the situation in Nagorno-Karabah, Abhazia and the central Asian republics. The two ministers stressed the role the economic cooperation in the Black Sea could play for the regional economic stability as well as for the economic development of the countries in the region.

The two diplomats also exchanged views on the situation in Iran, Iraq, the Middle East generally.

Foreign Minister Hikmet Cetin stated at the close of the talks that Turkey and Romania were two important countries in the Balkans, two countries wishing that the situation in Yugoslavia be settled by negotiated, peaceful means. He considered the grave conflict that caused big suffering to the Yugoslav peoples could not be settled by force and that the frontiers either could not be changed by force. He showed it was very painful to see Yugoslavia's peoples, that had lived for years together, wish now to settle the situation in their country in a bloody way.

"Turkey and Romania," the Turkish dignitary said, "have no diverging opinion on the fact that the situation in Yugoslavia, this tragedy should be stopped," and he also deplored the fact that all international actions failed so far. He hoped the us political actions would help a diplomatic settlement, without recourse to force.

Referring to the necessity of cooperation among the Balkan countries for the settlement of the Yugoslav conflict, the

Turkish minister said that Turkey considered from the very beginning that these countries had to have the same standpoint since as long as events in Bosnia-Hercegovina could not be stopped, they might extend to other zones as well, such as Kosovo, Macedonia, Vojvodina, spelling thus danger of a Balkan war. The Turkish minister expressed his confidence in the Balkan collaboration as well as his belief that Turkey and Romania had an important role to play in that connection.

The Turkish foreign minister left Bucharest the same day.

Iliescu Receives AIU Chief Bouraoui

AU1302205693 Bucharest ROMPRES in English 1441 GMT 13 Feb 93

[Text] Bucharest, ROMPRES 13/2/1993—A delegation of the Arab Interparliamentary Union (AIU), headed by Abdel Rahman Bouraoui [name as received] (Algeria), general secretary of the union, on a current visit to Bucharest, called on Saturday, 13 February, on President Ion Iliescu. By its visit, the Arab delegation aims "to consolidate relations between the Arab Interparliamentary union and Romania's Parliament, and to find out ways for meeting mutual understandings."

Vacaroiu, Melescanu Receive Arab Parliamentarians

AU1502191793 Bucharest ROMPRES in English 1735 GMT 15 Feb 93

[Text] Bucharest, ROMPRES 15/2/1993—Prime Minister Nicolae Vacaroiu received the delegation of the Arab Interparliamentary Union, headed by Abdel Rahman Bouraoui [name as received], now visiting Romania.

Romania's economic, commercial and political relations with the Arab countries were stressed during the dialogue. The Romanian premier reiterated his country's stand as regarded the settlement of any international conflict only by diplomatic means.

The Arab party appreciated Romania's readiness to help settling peacefully the Near East issues and the Palestinian issue, stressing that Romania and the Arab countries alike were interested in the correct application of the principles and resolutions of the United Nations.

State Minister Teodor Melescanu, minister of foreign affairs, received on February 15 the delegation of the Arab Interparliamentary Union, headed by Rahman Bouraoui, secretary-general of the union, now visiting Romania.

The Romanian foreign minister emphasized the importance Romania attached to its relations with the states in that part of the world, saying that Romania's relations with the Arab countries were given pride of place, considering that economically, politically and militarily Romania lied in a zone influenced by developments in the Arab world.

They exchanged views during the interview on the latest developments in the Middle East. The Arab parliamentarians appreciated Romania's stand on the situation in the region. Both parties stressed the need for a political settlement of the situation as well as for concerted efforts both of the directly concerned parties and of the international community for the continuation and accomplishment of the peace process in the Near East.

Iliescu, Vacaroiu Receive Greek Foreign Minister

AU1302185093 Bucharest ROMPRES in English 1214 GMT 13 Feb 93

[Text] Bucharest, ROMPRES 13/2/1993—Mikhail Papakonstandinou, foreign minister of Greece, arrived Saturday, 13 February, in Bucharest for an official visit to Romania at the invitation of his Romanian counterpart, Teodor Melescanu.

"There do exist fine and special ties between Greece and Romania," stressed the minister of foreign affairs of Greece, Mikhail Papakonstandinou, Saturday, on his arrival on the Otopeni airport. Showing that the two countries have a similar policy line, the Greek guest outlined his conviction that after his visit, relations between Greece and Romania will witness fresh development. According to the statement made by the Greek minister, a programme of collaboration between the two foreign ministries will be signed on the occasion.

Mikhail Papakonstandinou, the minister of foreign affairs of the Hellenic Republic, was received on Saturday, by Ion Iliescu, Romania's president.

In a press statement made after the talks, President Iliescu showed that no conflicts ever were to be recalled between Romania and Greece, the only links known since ancient times being the commercial ones.

Romania's president evoked the positive role of businessmen of the two states "who are finding easily a joint language" for growing bilateral relations, as well as the similar appreciations regarding the current political situation in Europe and especially the Yugoslav conflict.

"Both countries are stating themselves against a military intervention," said the Romanian president, "which would only make situation, which is already tensed, become more complex. As for Romania and Greece, the two sides would not let themselves drawn into armed conflict with ex-Yugoslavia. On an international plane, in our negotiations with different European bodies, Greece has always been on Romania's side," said Ion Iliescu.

In his turn, Mr. Papakonstandinou, after rendering a message to President Ion Iliescu on behalf of the president and the premier of Greece, talked about the

extremely tense situation in the area, appreciating that, in the Balkans, Romania and Greece could become a strong element of stability.

Nicolae Vacaroiu, the prime minister of the Romanian Government, also received Mikhail Papakonstandinou on Saturday. Ways to extend political, economic and trade relations between Romania and Greece were discussed.

In a statement made at concluding the talks, the Romanian premier showed that the interview with the Hellenic guests was fruitful and opened new ways for extending economic cooperation. Also stressed was the fact that fine economic ties are existing between the two countries, and that presently there are 436 Romanian-Greek commercial companies operating in Romania.

Mikhail Papakonstandinou expressed his belief that the relations between the two states will witness a considerable growth, on a political as well as on an economic plane. He stated his conviction that the number of the Romanian-Greek joint ventures will double soon.

Melescanu, Nastase Receive Papakonstandinou

AU1302211293 Bucharest ROMPRES in English 1825 GMT 13 Feb 93

[Text] Bucharest, ROMPRES 13/2/1993—A first round of talks between heads of the Romanian and the Hellenic diplomacy, Teodor Melescanu and Mikhail Papakonstandinou, started on Saturday, 13 February.

Talks referred to bilateral relations, an intensification of the political dialogue being agreed upon by the two states. Invitations were extended to the president of Romania, to the Romanian premier and to the Romanian minister of foreign affairs to pay a visit to Greece later this year. The Romanian foreign minister asked for support from the Greek authorities and parliamentarians, for Romania's entrance within the European Council and for a sooner ratification by the Greek parliament of the European agreement of Romania's association to the European Community.

On the economic field, issues were approached regarding the encouraging of Greek investments in Romania and it was agreed the signing of an accord regarding Greek financial crediting for Bucharest.

Also discussed were ways to improve the granting of visas for businessmen.

The same day, the Hellenic minister was received also by Adrian Nastase, speaker of the Chamber of Deputies in Romania's Parliament. Issues of joint interest were approached regarding multilateral development of relations between the two states.

Foreign Ministers Sign Protocol

AU1402170093 Bucharest ROMPRES in English 1500 GMT 14 Feb 93

[Text] Bucharest ROMPRES, 14/2/1993—The official talks between the foreign ministers of Romania and Greece, Teodor Melescanu and Mikhail Papakonstandinou, closed Sunday, February 14, at the Romanian Ministry of Foreign Affairs.

Saturday, February 13, Mikhail Papakonstandinou spoke with the Romanian president and the Romanian prime minister about the crisis in Yugoslavia. Sunday, issues were tackled concerning Romania's links with his neighbours, Hungary and Ukraine, as well as with the Republic of Moldova. Ion Dolgu, secretary of state at the Romanian Foreign Ministry mentioned that the head of the Greek diplomacy had been particularly interested in these two subjects. As for the situation in Yugoslavia, specified the source, the two foreign ministers had identical views both in as far as the importance and seriousness of the matter was concerned and in their option for political means only for the settlement of the conflict in Bosnia and Hercegovina, in former Yugoslavia in general. The parties underlined that the use of force could worsen the conflict and especially propagate it.

Romania presented the actions it had taken to develop its relations with Hungary and Ukraine, and underscored that it wanted to establish and develop a good cooperation with the two. A number of actions taken or intended were examined, including the conclusion of political treaties with Hungary and Ukraine, able to create a new framework for the relations between Romania and these two countries, in concord with current European norms and standards.

As for Romania's links with the Republic of Moldova, Romania's stance and actions to strengthen its relations with this state were put forth. The Greek foreign minister thanked its Romanian collocutors for the data supplied, showing full understanding for the policy and actions of Romania as far as its relations with its neighbours are concerned, which he found to be "well-balanced," as Minister Secretary of State Ion Gorita mentioned after the talks.

At the close of their official talks the Romanian and Greek foreign ministers, Teodor Melescanu and Mihail Papakonstandinou, signed a protocol of cooperation between the ministries of external affairs of the two countries. The protocol expresses the will of Romania and Greece to develop their ties of good neighbourliness, in keeping with the tenets in the UN Charter, the CSCE documents and the Paris Charter. The two countries want to further promote their political, economic, commercial and cultural ties, in the spirit of the Agreement of Friedship, Cooperation, and Good Neighbourliness between Romania and Greece.

The protocol stipulates that the two foreign ministries will organise meetings yearly at the least, to evaluate

global relations and identify fields able to promote bilateral cooperation, and to discuss international matters of interest for both parties.

Country's Foreign Debt Nears $6 Billion

AU1202121893 Bucharest ROMANIA LIBERA in Romanian 9 Feb 93 p 1

[Article by VA: "Romania's Public Foreign Debt: Almost $6 Billion"]

[Text] Romania's public foreign debt on 30 September 1992 totalled $5,787.9 million, stresses a recently published report by the Ministry of Economy and Finance. According to the same report, this means that over the period 1992-2000, the servicing of that debt will amount to $5,787.9 million, that sum consisting of: $3,821.9 million in installments for capital repayment (the value of the loan); $1,966.0 million in interest and other costs (commissions, expenses, and so on). The per capita Romanian public foreign debt amounts to $251.6. [all figures as published]

'Substantial' IMF Financial Assistance Expected

AU1202113993 Bucharest CURIERUL NATIONAL in Romanian 8 Feb 93 pp 1, 2

[Article by Eugen Ovidiu Chirovici: "IMF Delegation Facing the Press"]

[Text] After discussions with the presidency, the government, and public and private businesses, the IMF delegation agreed to meet the press at the Headquarters of the National Bank on 5 February. In the presence of Bank Governor Mugur Isarescu, the delegates answered reporters questions.

Given the fact that this year's budget has not yet been endorsed, the main aim of the current IMF delegation was to become acquainted with the "pulse" of the Romanian economy in its fourth year of the transition process—and, according to experts, the most difficult year. The talks with decisionmakers focused on three essential aspects: Halting inflation and the decline of industrial production; restructuring enterprises and speeding up the privatization process; and social protection.

The reform implies much higher costs than initially estimated and the IMF experts believe that "social protection is essential, because its absence may compromise the entire reform process." Thus, the transition process has raised the following dilemma: How can one speed up the reform process—which sometimes requires radical measures—without, however, causing instability and social explosions, because of the costs involved? For, the social protection system also depends directly on the economy and only a properly functioning economy can provide the resources needed for social protection. Thus, what is needed is to press down on the accelerator, but also keep an eye on the brakes....

"There are clear-cut arguments that a 'shock therapy' is not desired, but even a cautious government has to seek the most appropriate ways and means to relaunch the economy. Even within the framework of a cautious strategy, clear measures must be worked out for economic activity such as improving financial-banking discipline, developing the domestic market, and attracting capital."

According to the IMF experts, 1993 will be the year marking the greatest recession. Therefore, firm measures are needed. The "keystone" of these measures represents a clear financial framework that will not permit enterprises that are not profitable and have no chance of becoming so to survive. "The foreign financial flow has to be channeled in the direction required by the imperatives of the reform."

This year's "stand-by" credit accord is to be finalized in March when the government presents the long-term program and when the 1993 budget is adopted. IMF financial assistance is of major importance and we hope that the strategy promoted by the Vacaroiu government will enjoy sufficient credibility, so that this assistance is as substantial as possible. There is a view that the IMF has only proved efficient when it cooperated with the so-called "authoritarian governments" (strong handed ones) capable of imposing radical measures. Maybe the current Romanian-IMF cooperation will prove the opposite. The Romanian people have amply demonstrated so far that they are ready to assume the risks and difficulties of the transition.

Vacaroiu, Bankers View Hard Currency Resources

AU1202113793 Bucharest ROMPRES in English 0823 GMT 12 Feb 93

[Text] Bucharest, ROMPRES 12/2/1993—A meeting was held Thursday [11 February] in Bucharest between Prime Minister Nicolae Vacaroiu, assisted by other members of the cabinet, and representatives of the banking system in Romania. Measures were debated for improving financial and economic discipline in the activity carried out by economic agents in the country.

Related to the meeting, Mugur Isarescu, Governor of the National Bank of Romania, stated that, in essence, it was a matter of penalties regarding delays of payment among enterprises, measures apt to better stimulate hard currency on Romania's market and ensure its resources, and implicitly the power needs for the national economy, through the currency market only. Isarescu also denied speculations over a change in the Romanian currency system.

Foreign Trade Bank Official on Currency Problems

AU1202155393 Bucharest ROMPRES in English 1437 GMT 12 Feb 93

[Text] Bucharest, ROMPRES, 12/2/1993—"Unfortunately, 500 lei per one U.S. dollar is not the appropriate exchange rate", said the Vice-President of the Romanian Bank for Foreign Trade Razvan Temesan in an interview with ROMANUL weekly magazine, and further noticed that "hard currency demand grows every day, so we may conclude that the dollar is not accurately valued and the dollar exchange rate must rise. In my personal view, the 570 lei to one dollar rate, proposed by the President of the National Forecasting Board Mircea Cosa, is closer to reality. These are the same figures that the International Monetary Fund came to, after a close consideration. If it is going to sustain the 70 lei discrepancy between the real and practiced rate, that means to take money from efficient, profit-making economic agents and to blow that money into the economy, for the benefit of the agents that hang on the financial blocking and budget deficit and thus, pay them unearned subsidies."

The bank official said also that in Romania overrated lei exchange rates make the banking system miss an important amount of financial resources.

"Street corner bankers are doing business with no tax, but considerable revenues. Most likely, it is about some two billion dollars" announced Mr. Temesan and added: "the Romanian Bank for Foreign Trade is articulating a bill to guarantee citizens' deposits in hard currency. If the bill is to be adopted by the parliament until next March, it is possible that the banks should take in around half a billion U.S. dollars now kept home by the population."

Private Employers' Bank To Assist Privatization

AU1202132093 Bucharest Radio Romania Network in Romanian 1100 GMT 12 Feb 93

[Text] Today, 12 February, a news conference was held at the headquarters of the National Union of Romanian Employers. During the news conference it was announced that the establishment of the Romanian Bank of Private Employers "Patron Bank" has entered its final stage. The conference was attended by members of the Steering Council of the National Union of Romanian Employers and by members of the Administration Council of the newly established bank.

According to statements by Mr. Stefan Chelariu, the president of the "Patron Bank," the respective bank, through a specific policy and through the contribution of the clients who possess private capital—which currently exceeds 2 billion lei—proposes to provide support for the maintenance and development of the private sector that includes small and medium-sized enterprises and of the production sector in particular.

FSN Ready for Dialogue With Other Parties

AU1102195193 Bucharest ROMPRES in English 1733 GMT 11 Feb 93

[Text] Bucharest, ROMPRES 11/2/1993—The National Salvation Front, FSN, is open to dialogue with all political parties, particularly the ones in opposition, Deputy Adrian Severin told a Thursday, February 11, press conference. He mentioned that the political parties in opposition were sharing a strategic objective, that they were all opposing a communist restoration, favoring the economic reform, including its achievements so far, and the democratization process. FSN is willing to have a dialogue equally with the ruling parties, but they have proved rigid, inflexible, uncompromising in their discussions, added Adrian Severin.

Mr. Severin strongly denied rumors in the press saying that FSN leaders were making "transactions" with other parties. He also mentioned that the statements made by the FSN leader Petre Roman abroad were misunderstood in Romania.

FSN has decided to avoid making personal attacks, especially as far as President Iliescu is concerned and when FSN representatives are abroad, specified Adrian Severin. He rejected Petre Roman's alleged political reorientation, the allegations that "Petre Roman has been milder in his criticism, he has rather spared President Iliescu of late."

Cornea Believes Hearing Has 'Political Tinge'

AU1202082093 Bucharest ROMPRES in English 1958 GMT 11 Feb 93

[Text] Bucharest, ROMPRES 11/2/1993—The Prosecutor's Office in Cluj housed Thursday, February 11, the hearing of Doina Cornea summoned by Bucharest Prosecutor's Office, represented by Prosecutor Miclescu.

At the close of the hearing Mrs. Cornea said she considered her hearing to have a "political tinge." "The examination of this file now, just before our admission to the Council of Europe is given a yes or no is not beneficial to the country," said Doina Cornea. I underline that as soon as I was told I had been charged, I rejected any West European support and I even asked the fora having negotiations with the Romanian Government to overlook this unfortunate case of mine and grant the Romanian people the political and economic advantages it has asked for."

As for the hearing, Doina Cornea said "I favour law and the state of law and it is very well that the prosecutor has treated the investigation of the developments on September 27, 1991 and my involvement in them seriously."

Prosecutor Miclescu said that the three plaintiffs, including a high-ranking Army officer, in reserve now, would be heard shortly, as Mrs. Cornea had made an accusation of calumnious denunciation.

Izetbegovic Views Conflict, Peace Plan

LD1402101793 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 2140 GMT 13 Feb 93

[Interview with Bosnia-Hercegovina Presidency President Alija Izetbegovic by Sarajevo Television Editor in Chief Zdenko Vranjas in Sarajevo on 13 February—recorded]

[Text] [Announcer] Dear listeners, as we informed you earlier, Bosnia-Hercegovina Presidency President Alija Izetbegovic gave an extensive interview to Bosnia-Hercegovina Radio-Television today. The interview with Mr. Izetbegovic was conducted by the editor in chief of [Sarajevo] television, Zdenko Vranjas:

[Izetbegovic] [no question as heard] The Bosnia-Hercegovina Army is undergoing a constant process of reorganization. As you know, it was formed under abnormal conditions, under conditions of aggression. Nevertheless, it has succeeded in organizing itself, in gradually becoming a real army.

What we are doing now relates mainly to the zone that is covered by the First Corps. Above all, we want to achieve [pauses] we have, in our view, a too loosely formed Corps consisting of brigades. At the moment, we have 17 brigades in the Corps. We would like to enlarge this unit, to achieve a smaller number but a stronger brigade. This would achieve not only an enlargement but also a concentration of weapons, which [word indistinct] is in a somewhat diffuse state. Second, it will ensure that what [word indistinct] cadre we have will be deployed to achieve a better [word indistinct] Corps. That is with regard to the brigades.

We have a major change with regard to the military police. An order has been given, as you know, that the battalion of military police should be transformed into, in effect, a fighting unit, and that the performance of duties of the military police should be (?entrusted to it). This process is under way. It has met with both approval and some resistance here and there, mostly with approval among the citizens. There was some resistance because of misunderstanding—sometimes justified—among some people in the battalion itself. There were both good and bad individuals in the brigade. Viewed as a whole, they were very good soldiers, people who at the time when the aggression began were defending the state here—defending Sarajevo—practically unarmed. Their services should not be forgotten.

That is precisely how they joined the military police; the military police was that kind of special unit. However, as time passed, this battalion attracted people who did not belong, who created problems for themselves and for those people and for the functioning of the battalion as a battalion of military police. This made it necessary to carry out a fundamental change. I would like to stress that this change does not diminish the merits of the people who remain, who completely honestly and conscientiously carry out their duties in that unit. And, of course, this change does not apply to the majority of people. In our view, it was only a small number of people who were involved in things that were not in order and who should be handled in this way. This also led to a decline in the popularity of the service of the Army among the citizens here.

Of course, they are not the only culprits, but people reason in this way: Chetniks plundered everything wherever they appeared. Shops and houses are empty. Who plundered Sarajevo? Chetniks have not come here. Who is guilty? Obviously, residents themselves sometimes took a few things from shops with broken windows, but it was the armed people who did it. They are our people. Sarajevo has been plundered by our armed formations. It remains for us to establish who did it and to prevent any future reoccurrence. You cannot simply.... [pauses] Let us assume that peace is restored one day and the shelling stops. Some kind of economy must be launched. We must provide safety in the town—safety for the economy, for shops not to be plundered as soon as they are open.

Certain people have compromised themselves in this respect. (?That is true.) I am sorry that this hits a certain number of very honest and just fighters [word indistinct] at the same time. I would not like them to think that this refers to them as well. The merit and the blame of everyone is known.

[Vranjas] Can this process of transforming the Bosnia-Hercegovina Army be seen as a step toward a stronger legal state, toward a greater involvement of the civil authorities? In other words, is it a step toward much more discipline, responsibility, and order?

[Izetbegovic] That was our goal from the first moment. Do not get me wrong. That was also the aim of the military police battalion. They were to work in that direction. In any case, the aim is to increase discipline. This is the maturation process of the Army. But this was not the only problem in the Army.

There are very many problems that have arisen from the fact that part of our Army, as you know, was formed by the spontaneous organization of groups of people who, for patriotic reasons, found themselves called upon to offer resistance to the aggressor (?when) their country was attacked. They did it. Later, this part of the army, along with the organized part—because most of the Army was formed by organizing the Patriotic League which had already existed when the attacks began—this organized part was joined by a certain number of people who felt induced to spontaneously form small units in town districts, in the streets, and so forth. They played a very important role in the defense of the town. This happened in Sarajevo, but similar things happened—maybe in a slightly different form or to a smaller degree—in Tuzla, Zenica, Tesanj, and especially in some smaller towns where residents mounted resistance.

Of course, this is not the normal way to form an army, but this was the way our Army was formed. This is a fact.

Such an army has its good sides, because people have strong feelings of patriotism and enthusiasm. However, they are still spontaneous fighters—real fighters—who usually suffer from a lack of discipline and inaccurate execution of orders. This has happened before and will probably happen for some time in the future. [Words indistinct] to remove this and gradually put things in order. This will then better provide for the legal safety of citizens and secure the effectiveness of the Army and the civil authorities.

[Vranjas] Prevailing opinion is that the struggle and the resistance were the spontaneous resistance of the people who fought, but quite often people think that the state has not done as much as it should have. [words indistinct] what is the relation between the continuity and the organization of the state in the civilian resistance?

[Izetbegovic] You see, the aggression began at the beginning of April [1992]. It was not completely unexpected. We did know entirely what to expect, what could happen. Nobody knew that it was going to be this bad and that it was possible for this to happen at this time and in this area. When I say at this time, I mean the end of the 20th century. When I say this area, I mean Europe. Therefore, nobody knew that such crimes could be committed in 20th century Europe. Not even in the worst scenario did we predict such a bad course of events, such—let me say—genocidal attacks, purely genocidal attacks.

We counted on the possibility of Bosnia-Hercegovina—that was imminent here in Bosnia-Hercegovina for months—being the scene of a war in which it could perhaps be occupied by the Yugoslav Army, in which it could lose authorities, where maybe a type of military dictatorship would be introduced, the rule of one nation or something like that. Therefore, we prepared ourselves for something like that, conducting at the same time a policy that tried to avoid it if at all possible. It might have been possible to have an end such as in the Soviet Union or Czechoslovakia; a divorce in the Czech style, or if it was not possible in the Czech style, then at least in the Soviet style. A separation may have been possible that would not lead directly to a civil war, or which would certainly not lead to an assault on civilians.

I am explaining all this in order to provide a better understanding of our policy in 1991, especially in the second half, when the war in Croatia had begun and was looming dangerously over Bosnia-Hercegovina. We managed to postpone the war for seven or eight months by having negotiations and searching for (?a certain) way out. All the time, we had in mind that horrible things could happen here in Bosnia-Hercegovina because we are a mixed community. We have bad memories from the last war. We expected nothing like it, but we were afraid that excesses might occur.

In that period, in the second half of 1991, the League of Patriots [Patriotska Liga] was formed in an attempt to arm the people and to be, to a certain extent, ready for any possible attack. I can say that the main headquarters of the League of Patriots was formed immediately before the war. Nine regions and municipal headquarters were also formed; in some places better, in some more poorly organized. However, when we were attacked, the enemy hit against our organization.

You will see one day when the annals of this war are written what actually happened. Many things are not known now. It is known, for example, that Zvornik offered resistance for 30 days. The famous resistance on Kula, which lasted for a month, is well known. Explanations as to how that happened and why the resistance failed are not known. The resistance in Foca lasted 10 days, in Visegrad 15 days. As you know, Visegrad was taken by deceit. [Word indistinct] came with a message saying that he was going to separate the warring sides and restore peace. He came under that disguise. That was, of course, our Trojan horse, which entered and (?slaughtered) our Army. Therefore, the resistance there lasted for a relatively long time—at the very border. Resistance was mounted even in Bijeljina. The resistance became concentrated and more organized later.

According to our counts, the league had approximately 30,000 to 40,000 armed people when we were attacked. Resistance was not successfully organized everywhere. There was no resistance in Brcko at the beginning. Some kind of compromises and agreements were preferred there. In Prijedor, some of our officials were deceived by promises and surrendered their arms. There was not enough consistency. We knew that there could be no surrender. If you remember, I used to say that surrender—the surrender of arms—means death. The Serb message for some time was—they knew we had some arms—surrender your arms and you will live peacefully. Wherever we handed over arms, we got the worst deal—in Prijedor and Brcko at the beginning. Resistance was later mounted in Brcko—large scale and very successful resistance. Brcko is still holding on. However, at the first instance, there was a temporary failure because of disorientation and belief in the false promise that surrendering arms would bring peace.

Therefore, we had some 30,000 to 40,000 [armed] people, and we estimate that there were approximately 10,000 to 15,000 people who spontaneously armed themselves, who bought arms for their personal safety. Those are the people who remembered the bitter experiences from the last war, and bought arms just in case. So, a machine, a very strong and well equipped [Yugoslav] army was resisted by a poorly armed army, but still an armed force which was organized and guided from some kind of center.

The links were very soon severed. Resistance then became isolated in some parts, as it still is in eastern Bosnia, in Srebrenica. The League of Patriots organized the resistance there, which remained isolated without any links with Sarajevo and the center. But at the beginning, the League of Patriots built the basis of that

resistance. We later managed to send some arms there and help them a bit. We are still doing that.

Now there is once again a big offensive in progress in that area. However, it would not have been possible to mount such resistance had it not been for the organized resistance, the formation of an army which became a real army [words indistinct].

Go and have a look in Sarajevo. That might not be the best example because we are here isolated and we could not acquire many arms. We smuggled a bit through certain channels. We could not provide uniforms for our army [words indistinct], but that is not the case outside Sarajevo. As soon as you cross the [airport] runway, (?as you put it), to Hrasnica, there is a completely different situation there. The army is pretty well armed, they have good supplies. Everybody wears uniforms, and [words indistinct].

I expected you to ask me this, so I brought some bits of information with me so that I do not have to speak off top of my head. For example, I can tell you how many arms we managed to purchase and deliver to certain units. You know that we organized our army in five corps. The first is here in Sarajevo, then we have the Zenica Corps, the Banja Luka Corps, the Mostar Corps, and the Krajina Corps up there. They are all provided with arms. I am not going to say how, of course. One day we will be able to say through which channels the arms are arriving. Thus far, we have managed to purchase abroad and deliver to our army more than 30,000 guns and machine-guns, more than 20 million bullets for guns and machine-guns, more than 37,000 shells, 46,000 antitank missiles, 200,000 hand grenades. We have managed to obtain more than 90,000 military uniforms—they clothed 90,000 people—and more than 120,000 [word indistinct]. We bought some and made some ourselves. We managed to make some in Sarajevo, and especially in Visoko.

So this current resistance in Brcko, Gradacac, Olovo, Maglaj...[changes thought] I should point out Brcko and Gradacac have put up heroic resistance. I think that these are war stories, thrillers, that we will probably be able to read with great interest one day to find out what kind of resistance was offered. The resistance there was offered because we managed to supply them with, for example, enough bazookas to hit those tanks.

During one of my trips abroad I had a chance to read a story in a foreign newspaper about one of the battles on the Gradacac battlefield. This battlefield is still active, and the intensity of clashes is changing all the time. On 13 November, chetniks launched an organized offensive. It was a combined infantry and tank attack. Their goal was to seize Gradacac, and their media even reported that Gradacac was about to fall. This battle, which started on 13 November, lasted for 11 days. According to foreign correspondents, it ended on 24 November and the chetnik forces were repulsed, leaving 60 destroyed tanks behind them. This means that 60 tanks were destroyed in 11 days.

How was this done? Naturally, it was not done with rifles. It was possible because we succeeded in supplying the defenders with a certain quantity of antitank missiles. So if you want a short definition of this resistance, I could say that this resistance started spontaneously but that it was also partly organized by the League of Patriots. Today our resistance is mainly organized.

[Vranjas] Some of the goals of our resistance and our struggle have been achieved. Bosnia-Hercegovina is independent and even the aggressor will have to face this reality. However a doubt remains whether more could have been done and with fewer casualties.

[Izetbegovic] I think many books have to be written and long investigations held before we can get some kind of unbiased answer to this question. I think that one day the answer will be given, but today all we can say is that above all we suffered great biological losses. The aggressor simply attacked the civilian population. His goal was genocide, not a defeat of our military forces.

I was a young man, 14 or 15 years old, when Germans entered Sarajevo [in World War II]. They seized the city and its important facilities, but schools and shops functioned and nobody touched the civilian population, even though Germany and its Army did not have a good reputation regarding humanitarian issues. This was an occupation. Present events, however, constitute a war against the civilian population. This is a war waged by an organized, well-equipped army—some place it among the seven or eight best equipped armies in the world—against a civilian population.

You asked who is responsible for what happened. I personally think that we did what was possible. An organized army accompanied by special teams of murderers from Serbia—White Eagles, Arkan's [Serbian paramilitary leader and parliamentary deputy Zeljko Raznjatovic] men, Seselj's [Serbian Radical PArty leader] men—whose aim was just to inflame the situation. The conquest was done by others. Their goal was to start the war, to involve the people of Bijeljina, who had no intention of fighting each other. People lived there peacefully together, but they wanted to turn Serbs against Muslims. Nobody wanted this, nobody in Bosnia-Hercegovina was fighting, even though the war in Croatia had been going on for months.

In October [1991], Karadzic made an announcement. You can see that moment often on television. He said that if Muslims continue their struggle for a sovereign Bosnia-Hercegovina they will face a road of suffering, hell, and blood, and that one nation will disappear. Even after this announcement, four or five months of balancing passed, peace was agreed in Croatia, and we thought the crisis was over. Bosnia-Hercegovina was then recognized as an independent state, yet they decided to break this state apart.

Whether we had a political alternative is a question that everyone should answer individually, as if we were voting. Perhaps we could have agreed to remain in the rump Yugoslavia. Perhaps the things could have taken a different direction. History is not a laboratory in which you can carry out experiments and then implement your results. In real life, one is forced to make certain decisions, with all their consequences. There is no way back. We cannot rewind the film and go in some other direction.

At the time, we had a choice between staying or not staying in rump Yugoslavia. Croatia had already proclaimed its independence. As is well-known, we had the idea about Bosnia being a balancing factor between Croatia and Serbia, i.e., Bosnia at an equal distance from Croatia and from Serbia. Croatia's departure left us with a choice: We could choose between staying in rump Yugoslavia or being an independent Bosnia. We opted for independence. Of course, we could have chosen the other option.

If there is any guilt, it lies with this decision. Did we make the right decision? I think we did. The price may be high, but there is not a single nation in history which has received its independence as a gift. Our people are paying a very high price for this decision. Everything depended on this critical choice we faced. We voted on the referendum, and voted for independence. This was when a verdict was passed against Bosnia-Hercegovina and against one nation. Was there a way to avoid this?

If we are guilty, then they are not to blame. Both sides cannot be guilty. In this case, if I am guilty, then Karadzic [Serbian Republic of Bosnia-Hercegovina president] is not. Let the people make the judgement. I think it is clear that we did everything we could, literally everything. You can remember all those endless negotiations which finally became disgusting. The aim of the negotiations was to find a human way out of this trouble here, so that if Yugoslavia fell apart it could do so in a civilized way. I supported such an outcome and I offered and created some ideas. However, I am sure that we could have not escaped from this fate when we decided for independence. We could have possibly avoided it if we had remained in Yugoslavia. Attempts to look for guilt among us are just an excuse for chetniks. If we are guilty then they are innocent.

[Vranjas] The main goal has been achieved. Bosnia-Hercegovina has been recognized. It is independent and its borders are not disputed. What remains to be solved is the question of provinces and the internal organization. Will the Vance-Owen and the new U.S. plan change the goals of our struggle?

[Izetbegovic] During the negotiations, our main goal was to save the republic, to save Bosnia-Hercegovina. As you are aware, many people have already buried us. Many hill people [Serbs] speak of former Bosnia-Hercegovina. According to them, Bosnia does not exist any more.

Bosnia was in a critical state but its organism has survived. At one time I myself was not sure if Bosnia was still alive after all these military and biological attacks. Today it is clear that Bosnia has survived. It has passed through this crucial stage. Ambassadors are slowly arriving. The United States speaks about Bosnians, Serbs, and Croats, and this terminology is always important. The Americans are using this terminology deliberately. On the other hand, there is that Englishman [Lord Owen] who likes to speak about Muslims, Serbs, and Croats.

Bosnia, the Bosnian state, and Bosnians or Bosnian citizens are slowly becoming accepted. [Passage indistinct] The United States has an ethnic mixture, just as we do. They have many more ethnic groups and minorities, of course, but in a certain sense Bosnia is a small America. People whose mother tongue is not American are proud to call themselves American. They call themselves Americans before saying that they are of Greek origin. One day, we will say that we are Bosnians, in the sense that we are citizens of the Bosnian state. This does not mean that we will give up our Croatian, Serbian, or Muslim identity. I consider myself a Bosnian Muslim. When asked abroad about my nationality, I say that I am a Bosnian Muslim and I speak about my Bosnian Muslim nation. Note that I add Bosnian to the word Muslim.

Above all, we are trying to save the state. Bosnia-Hercegovina is threatened by the creation of two para-states [the Serb Republic and the Croatian Herceg-Bosnia]. This does not mean that they are equally to blame. I cannot say that Herceg-Bosnia is the same as the Serb Republic, which is a para-state aggressor against the state of Bosnia-Hercegovina. However, Herceg-Bosnia has elements of a para-state.

During the negotiations, our goal was, frankly, to kill the para-states, to eliminate them so we do not have states within a state. That is why we went toward this compromise with the provinces—decentralized provinces. In my opinion, this was the only way to eliminate the para-states. We may not like the provinces—to tell you the truth, I do not like them—but this is not a question of principle; what matters is the way they were drawn and the criteria that were applied. However, political wisdom forced us to oppose the para-states with the idea of provinces. Otherwise, we would end up with three para-states, or three states, in Bosnia-Hercegovina, which would become a confederation. This was the only solution. Some people do not see this; they think we could directly oppose these para-states with the idea of a pure civic state. But we do not see the forces which could implement this.

We reasoned like this. We will accept the provinces. Of course, when I say we, I know that all this will have to go through various procedures. Somebody will have to confirm this, maybe the Bosnia-Hercegovina Assembly. The best solution would be if we could achieve this with

a referendum because the issues at stake are very important. However, as negotiatiors we thought that this was a way to eliminate the main danger: the creation of states within a state. Those who do not see this do not have a good understanding of Bosnia-Hercegovina's political problems.

Another problem is the fact that the international factor is taking part in the choice of these solution. At one stage we had only the EC. This was the period of Lisbon talks when Carrington and Cutilheiro were in charge. Later the United Nations joined the process and it was represented by Cyrus Vance [cochairman of the Conference on Yugoslavia]. When they saw this was not enough the United States got involved and it is most likely that Russia will follow suit.

All world powers are here and now, faced with such pressures and such forces, we are trying to endure with a concept which would suit us best. It is hard to achieve an ultimate goal. Something like our civic state, with regions based on economic principles, with human rights; with this kind of a balance of powers within Bosnia itself, with more than 50 percent of Bosnia occupied. With strong centrifugal forces in the shape of various parties. With various lobbies pushing in various directions. With alliances which we cannot see today, alliances regarding certain concepts for Bosnia. With all this in mind it is hard to reach an ultimate goal, a goal that I described as a civic state.

However, I think that we will manage to save Bosnia-Hercegovina as a state which will consist of these provinces. We are optimists and we think that the state borders will become stronger and that the statehood will become more important in the future. The provinces will melt away slowly. The others who accept the provinces, if they are really accepting, have a completely different plan. They think that the state will grow weaker and that provinces will slowly hold on to some kind of statehood and indirectly achieve their goal. This is the message that [Bosnian Serb leader Radovan] Karadzic sends to his followers when he says that this is only the first stage.

We also say that this is the first stage but we see the second stage differently. We see the consolidation of our state which is already a member of UN. Ambassadors are arriving. With God's help we will soon have peace here. We will get our people back. our people are all over the world now. We will ask friendly states for aid; today they are not very willing to give us military aid because it is very dangerous. But these countries are maybe willing to give economic aid to Bosnia-Hercegovina. We will try to start public works to rebuild the things that were destroyed. So we would have jobs and money here. We think that this is a process which will not help the para-states. On the contrary, it will help the state because this is an economic issue. Economy has no ethnic prejudice. It is based on an interest and it could help the state against the centrifugal forces trying to split the state.

One thing is certain in the part of Bosnia which is now controlled by Bosnia-Hercegovina Army: Its control will expand in the first stage with the withdrawal of chetniks as proposed. In this part we have to establish a civic state and we have to say that regardless of the temporary situation in other parts of Bosnia we will have a civic state. We have to say that in our part we will have no ethnic differences and that we will respect ethnic and human rights. We will have the rule of private enterprises and democracy. If we do this we will achieve a political victory, not a military victory, the same way that West Germany achieved a victory over East Germany. Not with war but by giving a political and economic model which is stronger than the other one. East Germany was simply absorbed, it could not survive.

If we succeed in the liberated part of the country, I mean the part of the state which is currently under the control and the one which will be controlled by the Bosnia-Hercegovina Army and Bosnia-Hercegovina authorities, if we establish a free economy and save the democracy in this part we will win and we will simply suck in the other parts. If we do not succeed then we will have a process of disintegration; that is what people like Karadzic are waiting for.

[Vranjas] Is there any alternative other than to accept the Vance-Owen plan?

[Izetbegovic] Now that the Americans have accepted it, looking at it realistically I do not think that there is an alternative. There is always somebody willing to try his hand at some kind of utopia. Looking at it realistically, there is no alternative; America did not cross the Rubicon—I suppose you know what I am trying to say—it did not cross the river; if it did maybe we could have asked for something different; America decided in favor, not of the plan itself but of the continuation of efforts based on this plan; they picked their words and they said that they support the efforts of Vance and Owen. It is clear that America accepted their plan as a base for further efforts even though it expressed disagreement with some parts of the plan on a number of occasions and in those six points.

I think that we can expect an amended Vance-Owen plan as a solution and if it was amended maybe it [pauses] of course it has a number of faults, major faults. However, its good aspect is the fact that it secures survival of the state; it eliminates those two [Serb Republic and Herceg-Bosnia] and it has those certain advantages that I mentioned in particular, with certain amendments: we proposed certain amendments regarding the map; we had two or three major complaints regarding the plan and if these complaints are solved then I think that the plan could be acceptable. Of course, we could not be completely satisfied but we could be relatively satisfied.

The map should be amended so that Bosnia-Hercegovina authorities gain control of all areas where ethnic cleansing was carried out. We are talking about

approximatively five such amendments. In the meantime Vance and Owen offered some small amendments regarding Brcko, which would join Tuzla region; it is a wide belt of territory from Brcko to Srebrenik further south. They offered another amendment near Kozarac and Prijedor, insufficient of course; and there was one more amendment regarding the eastern part of Teslic municipality which would also join this Tuzla region, it would come under the control of Bosnia-Hercegovina authorities and the Bosnia-Hercegovina Army. It is presumed that peace would be imposed after this.

It should be taken into account that all these peace negotiations that I know of—since the Berlin Congress—were imposed by great powers. We have elements of this in our case too. We do not have great choice because pressure, setting conditions through gentle pressure, crude pressure—these are a constant factor in such negotiations—gentle pressure is when they tell us to accept and then they will help us to rebuild; they will give you a billion dollars for this, they will organize the rebuilding of Sarajevo, of industry etc; crude pressure is when they tell us that they will abandon us, they tell us to fight it out, they tell us to fight for 10 years and to kill each other, etc.

I do not see an alternative. If they would amend the map, maybe the plan would be acceptable. Vance and Owen sent me their amendments and I told them that these amendments were connected with our demands but that they were completely insufficient. Thus our efforts to achieve the ultimate amendments are continuing.

The other major amendment is in connection with the military document and the problems regarding the heavy artillery. We vigorously demand, and we will not give up, unless we are eventually forced to accept something, because this time round a decision could be imposed on us, in the end, after a certain period. However, our standpoint is that heavy artillery must be under effective control of international forces; this would be the first step to future demilitarization, and it is a major part of the demilitarization. If the heavy artillery is removed, this solves the problem to a great extent; there will be no more shelling of the cities. Of course, some mortars will be hidden, and for a certain period we would not have full security.

The third major amendment is in connection with the transitional period; who is going to lead Bosnia-Hercegovina in the period up to the free elections, i.e., what kind of a government structure will organize these elections in Bosnia-Hercegovina, who will rule in Bosnia-Hercegovina? According to the Vance-Owen plan which was not published and which was not discussed—although it was in circulation—there was a proposal in this plan which to a large extent stripped the legitimate Bosnia-Hercegovina authorities [changes thought] of course, we did not like this, above all because this is the state of Bosnia-Hercegovina and it has to have a continuity, it has to organize these elections. Of course other elements will have to be involved; international factors will be involved in the implementation of these elections, in the organization and control of the elections. We think that the legitimate Bosnia-Hercegovina authorities should be in charge of this. These are our three major points of interest in the next stage of the negotiations.

[Vranjas] These are difficult times, a great deal of evil has come upon the people who wanted nothing else except to live free and independent in a civilized way in a normal civilized country. Many evil things have been done and it is difficult to have a rational approach. Many emotions are involved etc. There are such things in the army as well. Sometimes it seems that the army leadership [word indistinct] articulates political stands more resolutely and more often than is usual for armies in the world. Does this only seem to be so, or is there a firm basis for objective conclusions?

[Izetbegovic] This is a good question, and you are not the first one to ask me this. A few days ago I had a phone call from America. They asked me to comment on a high-ranking officer's statement in which he assessed what the army wants or does not want. I believe that [pauses] some ill-intentioned people exaggerated and tried to interpret this in terms of a danger from (?totalitarianism), the fusion of military and political authorities, that is, a dictatorship by military authorities. This has not been the case so far. I must say that we have not allowed the army to impose any political stands upon us. At least, I have not allowed this and we, the Presidency and the government, have adopted stands and developed our platform.

Of course, we knew what the mood in the army was. We will continue to take into account the army's mood, especially the mood of the soldiers. When we talk about the army, we must differentiate between soldiers and officers. Officers are in the habit of imposing their political views. The situation is totally different when it comes to soldiers. They are the same as the armed people. We must listen to them. Not to listen to the opinion of fighters at the front now—what they are fighting for and what they want—ignoring that would be similar to ignoring what the people think.

When it comes to the views of commanders and high-ranking officers who find themselves competent to resolve political issues, someone said that politics is too complicated to be left to generals, and the civilized world follows this wise piece of advice. Only a small part of the uncivilized world is still in the hands of some kind of colonels and soldiers, and they are doing very badly. Countries where soldiers are in power fare very badly and have always collapsed.

Politics is something else. Nevertheless, I believe that in our country such statements will become less frequent. I say this as an appeal and a warning—now you asked me about it—to our soldiers to refrain from doing such things, so that we do not have to pass a decision banning

public statements. I believe that some officers have realized that they have exceeded the bounds.

This will remain a democratic country. The greatest tragedy that can happen to this country is for soldiers to come to power. Things would then take a very bad turn. Not just that Bosnia-Hercegovina would lose its reputation—today it has the image of a suffering and attacked, and in a way weak state, since it has no powerful allies to provide it with arms, which it (?procures) with great difficulties—but it is also a state which has a democratic image, which it could lose due to hasty, uncontrolled statements by soldiers.

Second, it transpired that—after all we are all both politicians and soldiers, we are active in both professions—the more a soldier is a politician, the less he is a soldier. So, officers, if they want to be successful, must do their job. Their job is to lift the blockade of this city, to offer resistance in Srebrenica, to organize resistance in Gradacac, to see that everything is done on time. If they deal with politics, they will neglect their military duties. It will become clear that the truth is: Good politician, bad soldier.

[Vranjas] Is the recent joint order by the Army of Bosnia-Hercegovina and the Croatian Defense Council the beginning of the creation of a long-advocated joint command?

[Izetbegovic] We hope that this is the case. So far we have had rather bad experience with the way agreements have been respected. In any case agreements in this part of the world are not respected much whether they are verbal undertakings or written agreements. As far as we are concerned the agreement is sincere. Needless to say, we have great interest in establishing normal relations, in having, as it says in the provisions, a normal flow of goods, materials, arms, people, in having a completely normal situation. Our side will do everything to stick to every letter of the agreement. That has been our policy, and the agreement is in accordance with our policy. Of course, it all certainly also depends on the other side, but it is obvious that cooperation between these two components of the army is a precondition for a successful struggle against the aggressor. Only a blind man could fail to see that.

Some people are asking how anybody has been able to succeed in stirring up a quarrel between the Croat and Muslim people who have lived here as friends for hundreds of years, who after all came out together in the referendum to vote for Bosnia-Hercegovina etc. You see, a great skill was needed, some kind of negative, demonic skill, to create that kind of discord, to make them attack each other and fight each other in some areas. Those who managed to do this deserve to be specially commended for having shown great skill, for that was really very difficult to achieve because the trust between the two peoples really existed here, particularly in a situation when they were both in a way under similar threat. Since there is a desire among ordinary people to overcome these problems, we think that the attempts such as this agreement, if they are sincere, will meet with a positive response, will be welcomed by the people and will encounter no obstacles from them. I think that they will be carried out. We hope that this is a new stage in our relations and we will try to make it that way.

[Vranjas] Accusations have been heard today that the Army of Bosnia-Hercegovina was responsible for the death of a French soldier at the airport recently. will you comment on that?

[Izetbegovic] I talked to Mr. Morillon [UN Protection Force commander for Bosnia-Hercegovina] last night. He said that the analysis conducted by their experts, who examined the crater, the angle, the distance, and you know what they analyze, show that a group of the French soldiers was fired on from the direction of Butmir or Hrasnica. I heard this morning that UN Secretary General Butrus Butrus-Ghali had formed a commission to examine this case. I can only say this: It is not logical at all that we should be firing at the blue helmets whom we ourselves invited to come here.

Since we are mentioning this, I would like to say something to our people. Our people here do not understand the role of the blue helmets. You see, our expectations have been betrayed. Perhaps these expectations were too high. The blue helmets have not come here to protect us from the chetniks. That is not their task. Their task is to secure safe passage for convoys, to open the airport, to help us to be able to get out, to get food to where it is possible. They do not have an further mandate, they do not have the mandate, and that is the issue here. It is another question why their mandate is not different. For instance, those blue helmets who are here now do not have the mandate to shoot when they come upon obstacles or to use force to remove barricades on the road to Srebrenica. Our people do not know this and, of course, they are angry. They are angry because they do not understand that this is not their right. Our people, however, have the right to be angry, but perhaps not with these soldiers here, or with Morillon and the soldiers who sometimes risk their lives going to Srebrenica or at the airport. The other day a German plane was hit. They have the right to be angry with somebody else, with those who have given the forces here such a limited mandate.

A resolution is being prepared now based on some of our repeated requests to redefine the mandate so that UNPROFOR [UN Protection Force] soldiers can put up resistance, that is, to fire, to remove barricades, to be able to use force. They do not have such a mandate now, and an officer who would want to take a risk and issue such orders would be court-martialed for risking soldiers' lives, because he does not have such a right. Our people do not know this, and it would be good if this kind of propaganda ends. They are not objective in such cases. People are made of flesh and blood, they belong to different nations, political currents, support deep down one side or the other. But as a whole, as an institution UNPROFOR is useful to Bosnia-Hercegovina. We could

hardly succeed without them. They are one of the reasons why Bosnia-Hercegovina has survived. One must know how many thousands of tonnes of aid have been delivered not only to Sarajevo, but to Tuzla, Tesanj and everywhere where they could go. As a result the situation became easier, because if the people are full they can send some food to neighbors in Sreberenica. For instance, food was sent from Gorazde to Zepa.

That is one thing. Another thing is: We were in an absolute blockade regarding communications and telephone lines. We managed to get satellite telephones with their help. The little electricity we now have in Sarajevo we have owing to them. When the long-distance power lines in Ilijas are brought down, there is no way to repair them. Sarajevo would have been in total darkness for half a year now, without water and electricity, but for them. However little and insufficient this is, the little oil and oxygen we have in the hospital we have owing to them. All this is, of course, insufficient, but one must bear in mind that all of it has still come through them. Although some of their individuals sometimes collude a bit, these are only individual incidents, this is not what the organization does, only individual officers. People can see this and they resent it, but we cannot condemn the organization as such.

I appeal to our people, after all, it is these folk who have come here to help as much as they can, as much as their mandate allows. If anyone is to blame, it is the people in New York who voted for the resolution, because they narrowed it down a great deal and gave these people the minimum mandate. So, although it is perhaps absurd, they have to ask the chetniks up there if UNPROFOR can go to Gorazde with food supplies. That is what is written in their orders, they have to ask. If the chetniks say no, then they cannot pass. If they want to do the job for which they have the mandate, they have to turn the convoy back. They cannot use force to try to pass.

[Vranjas] This boycott by Sarajevans has caused quite a stir.

[Izetbegovic] Mr. Morillon, General Morillon, visited me last night. He called for this boycott to be lifted. I explained it to him by saying that this was not a matter of the government's decision, that this was a people's movement. He says that we should nevertheless use our influence as he claims there is no logic to it. I said, you know, sometimes logic, morals and principles do not run the same course. You can make very immoral things logical. This is a matter of principle. These are our people, this is a people's movement which is in fact saying: Either all of us will have food or no one. If you can tolerate the dying of the people of Srebrenica, we cannot tolerate it.

In other words, we bear far greater responsiblity. This is our people, part of our people. We find it simply unacceptable that we are receiving food. No matter how modest these quantities are, we do receive food. At the same we are perfectly aware that people there are being starved to death. This is simply unacceptable. This is why we are not going to do anything to curb this movement or to appeal.

On the contrary, I believe that we should support it because this is perhaps a way of capturing the attention of the world community which can—which is powerful enough to—secure those convoys on their way to Srebrenica, Zepa, Gorazde. However, the world community is simply doing something that appears to be an easier option. Hence, I believe that this is a movement on the rise, no matter how risky in a sense it is—it is risky insofar, of course I have been thinking about it, that they can say: Fair enough, if you do not want food, well, thank you. If you do not want it then there is no need for us to continue pushing it through. they are saying they have nowhere to store it. The storage facilities are full. I, however, believe that in a sense we should persist in this, thus supporting those people in eastern Bosnia. At the moment I cannot see any other way. Perhaps, we may even succeed in providing help via this boycott, drawing attention to this serious problem, something we have been doing in a thousand ways. This appears to be a more drastic form of making these convoys set off in this direction.

[Vranjas] Let us again talk about what is coming next, primarily about foreign policy. It can be heard again from the United States that these areas are of strategic interest, a strategic (?border of interests).

[Izetbegovic] Yes, you see, this is now a complex problem. But, to put it plainly, after the Soviet Union as a superpower disappeared from the scene, these areas have become the periphery of the world which used not to be interesting. You know that the former Yugoslavia was interesting for the West precisely during the confrontation. Russia is now coming back, which is normal. It has the position of a great power, perhaps not a superpower as America, but still an important power. Now again this part of the world is becoming interesting, which can have good and bad aspects for us. We will try to use its good sides, which is that the West, primarily America see their own strategic interest in Bosnia-Hercegovina and its preservation as a state. They might need Bosnia-Hercegovina one day.

[Vranjas] Russia's stand is of course important as well. Our delegation's visit to Russia these days is seen as an excellent diplomatic move. How much influence Russia can and will exert on Serbia in order for Serbia to fully accept an end to the aggression and give up completely on the creation of greater Serbia?

[Izetbegovic] It can. It will and it can if Yeltsin remains. If Yeltsin goes, it will not want to and it will not be able to. America's invitation to Russia to take an active part in all this—many people might not understand this—is an attempt to help Yeltsin whose position is not particularly strong. Yeltsin's departure would have a bad impact on the further development of democracy in the [former] Soviet Union, and on the development of the

situation here, in the Balkans. If his opponents who are trying to topple Yeltsin come to power, a very dangerous situation will arise; a situation extremely dangerous probably for the world and for the development of the situation here. Therefore, America's invitation to Russia to take part can be viewed in this context.

This is in my opinion America's primary interest. But, on the other hand, it is obvious that without Russia's active participation it would not be possible to realize the plan to tame Serbia and force it to behave in a different way. It is a fact that the blockade is being violated and other things are being done with a certain tacit knowledge of the present Russia. In the future, it would not be tacit, but a public, open support etc. Russia is therefore a very important factor here.

[Words indistinct] to ask of Yeltsin to exert the influence which he undoubtedly has on Serbia and on Serbia's dependence on Russia in order to influence Serbia to accept a different policy here. How much success Yeltsin will have is a different issue. It would be logical for his influence to be successful, you know, but we do not live in a logical world.

[Vranjas] Important diplomatic work lies ahead of you. You have recently received an invitation from the United States, and the negotiations in New York are to resume in the middle of next week. Will you attend the negotiations?

[Izetbegovic] These two things have no formal link, you know. Our media have created confusion by saying that Izetbegovic is going to the negotiations. I am not going to the negotiations. I have received an official invitation from the U.S. government to visit America. I will of course do that. It would be stupid if I did not.

I am not sure when I will go. I have a lot of work to do, many obligations here. We must do something about the government because since Hakija Turajlic has gone, we have lost a crucial member in the government. That was a huge loss, primarily of course to his family and to people who were his great friends. I don't know whether he had any enemies at all, he had a lot of friends. But that is also a huge loss for us here. We must make up for it. It will be very difficult to find a man to replace him, but we have to do this soon. This job has a higher priority for me than to go to America.

Therefore, I am going to visit America. I do not know whether that visit will turn into my presence at the conference, because I am asking myself right now what I will do if our American friends ask me, insist on me going to the talks, at least for a while. Will it be possible for me to refuse them? I have no answer to that question at the moment. I believe that they will ask me to do it, judging by repeated requests by Vance, Owen, Ghali etc. It is highly likely therefore that my visit will turn into my attendance at the talks. Until then, our delegation is officially headed by Haris Silajdzic [Bosnian foreign minister], and he has done his job rather successfully. After all, we are in daily touch, we speak on the phone every day.

We will soon prepare broad consultations in order to give him some ideas and instructions. These will be broad unofficial consultations of the so-called thinking people, as we call them. We do not judge by whether someone is in the government or not, probably party representatives and public workers will be present. We will review our problem to discuss it once again. We will, on the basis of the consultations, probably have a joint meeting of the Presidency and the government at which we will form our stands for the continuation of the talks. Our platform is valid until then.

[Vranjas] Thank you.

Hadzic: No Talks Until Croatian Troops Withdraw

LD1402213093 Belgrade TANJUG in English 1912 GMT 14 Feb 93

["Pool" item]

[Text] Belgrade, Feb 14 (TANJUG)—We cannot negotiate with Croatia for as long as it flouts Resolution 802 of the U.N. Security Council and continues its aggression on the U.N.-protected Republic of Serb Krajina (R.S.K.), said R.S.K. President Goran Hadzic on Sunday [14 February].

The condition for opening talks is that Croatia withdraw its Army to a point 10 km from the U.N. truce line which was the line of demarcation between the R.S.K. and Croatia before the latter launched its offensive on January 22, said Hadzic at a press conference in Belgrade on the eve of the departure of a R.S.K. delegation for New York for talks with the cochairmen of a conference on former Yugoslavia, Cyrus Vance and Lord Owen.

The press conference was attended also by R.S.K. Foreign Minister Slobodan Jarcevic, who will, together with Parliament President Mile Paspalj, join Hadzic on the delegation. They are due to leave for New York on Monday.

In connection with Lord Owen's announced intention to discuss autonomy for Serbs in Croatia, President Hadzic said there can be talk only of "autonomy for Serbs outside the R.S.K. who have remained within the borders of present-day Croatians" Hadzic said. Croatia's secession from Yugoslavia had created two states—the Republic of Croatia and the Republic of Serb Krajina—and that everybody who truly wanted peace must take this fact into account. "It is our long-time objective to protect the Serb people and not let them be expelled or exterminated," he said.

He added he was against the withdrawal of the U.N. Protection Force (UNPROFOR) from the R.S.K., which was proclaimed in 1991 by Serbs in those parts of Croatia where they are the majority population.

UNPROFOR's withdrawal would mean continuation of the war, said Hadzic and hoped the United Nations would not make that mistake.

Slobodan Jarcevic said the R.S.K. delegation was taking to New York its own draft resolution for resolving the crisis, which envisages for the Croatian Army to scale down its armament to a peace-time level and for UNPROFOR to be moved from the R.S.K. interior and deployed along the border to keep the peace.

He ruled out any notion of Croatia establishing its authority in the R.S.K. and said the delegation was taking to New York proof that Croatian authorities were practicing state terrorism against the Serbs.

He said more than 300,000 Serbs had been expelled from the former Yugoslav Republic of Croatia. "This has been the biggest ethnic cleansing operation in former Yugoslavia, and facts about it have never been published anywhere and no international organisation or state has ever taken Croatia to task for it."

"We are taking concrete evidence and figures about persecutions of Serbs and the ethnic cleansing of the (Croatian) towns of Zadar and Karlovac, which we shall surrender to lawyers who shall start international legal proceedings," said Jarcevic.

Krajina Leaders Reject 'Special Status' Offer

LD1302195693 Belgrade TANJUG Domestic Service in Serbo-Croatian 1819 GMT 13 Feb 93

[Text] Belgrade, 13 Feb (TANJUG)—The leadership of the Republic of Serb Krajina (RSK) this evening denied reports that it would discuss "the autonomy of Serbs in Croatia" when talks open in New York. In a statement submitted to TANJUG, RSK Foreign Minister Slobodan Jarcevic said that "the people of the RSK and the present leadership do not accept any special status, autonomy, or any other form of existence in the Republic of Croatia."

Jarcevic also said that Belgrade Radio today carried a report saying that Lord Owen, cochairman of the Geneva conference, had announced that the RSK delegation was due in New York on Monday [15 February] to discuss the autonomy of Serbs in Croatia.

"We believe that the RSK exists as a state in the same way as the Republic of Croatia does, and that it is an heir of equal standing with the Republic of Croatia of the former Socialist Republic of Croatia. With this in mind, the RSK delegation will go to New York for talks with Cyrus Vance and Owen at their invitation," we read in the statement.

Krajina Defense Minister Dismissed

LD1302222093 Belgrade TANJUG Domestic Service in Serbo-Croatian 0713 GMT 13 Feb 93

[Text] Knin, 13 Feb (TANJUG)—A reshuffle of the Government of the Republic of Serb Krajina [RSK], which was announced a long time ago and then postponed, has been carried out in a war storm.

Last night the wind of the war "blew away" several ministers, including Defense Minister Colonel Stojan Spanovic.

Why was the Government reshuffled at this particular time, when all party and all Krajina leaders said that "internal hatchets" ought to be buried, and maintained that everything should now be subordinated to the defense of Krajina and dignity of the Serbian people?

When the Government was expected to tighten the reins and issue decrees sanctioning all spheres of life under war conditions, a "war" broke out within its ranks. From

one of its continuing sessions the government issued a statement yesterday morning, pointing to the "need for continuous coordination of work within all Army and civilian structures and bodies of state authorities." At the session, the government examined the stituation on the battlefield with regard to the predictions of the situation's development.

The government also noted that "the results on the front, which at present reflect the domination of RSK forces in the liberated part of the RSK, are a proof not only of the enthusiasm and bravery of our soldiers, but also of well-coordinated and well-executed actions." It is therefore strange that the defense minister should leave while fighting is in full swing, and furthermore that this should be a man who enjoyed the trust of the soldiers and popularity among the people. He was also a soldier by profession.

Commenting on Spanovic's departure, the government also said that "given all the circumstances and the fact that the present RSK defense minister is taking up a new duty...it has decided to appoint Premier Zdravko Zecevic as the new defense minister."

The "sudden" departure of Spanovic will undoubtedly require specific answers. TANJUG's correspondent asked RSK Assembly President Mile Paspalj whether it was a question of a replacement or a dismissal. The reply was: "According to the explanation of RSK President Goran Hadzic, it is not a replacement." Unofficial reports from Knin mention earlier agreements on Spanovic taking up a higher post, but it is impossible at the moment to get any confirmation of this.

Spanovic was elected RSK defense minister last February at a session of the RSK in Borovo Selo.

Krajina Leaders Comment on UN Mandate, Talks

AU1402162593 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 14 Feb 93

[Report by Jelena Vidic on news conference by Republic of Serbian Krajina President Goran Hadzic and Foreign Minister Slobodan Jarcevic; date and place not given—recorded]

[Text] [Vidic] We accepted the invitation to New York because we will have talks with Cyrus Vance and Lord Owen [cochairmen of the Conference on Yugoslavia], President Hadzic said. We will not have any talks with the representatives of the Republic of Croatia until they meet the demands set in Security Council Resolution 802, and particularly until they pull their army out of the Krajina territory that they occupied in their latest attack, Hadzic stressed and added:

[Hadzic] We believe that it is not a bad idea to tell the truth for a hundredth time so that the world can finally understand that when Croatia, the former Socialist Republic of Croatia, disintegrated, it led to the creation of two countries—the Republic of Croatia and the Republic of Serbian Krajina. If peace is desired in this region, then that peace can be achieved only if there is a solid and stable border and delineation line between the two nations, between the Serbs and the Croats.

[Vidic] Minister Jarcevic said that the Government of the Republic of Serbian Krajina has information about the existence of two draft resolutions with proposals for the end of the war on the territory of the former Croatia. The first proposal, which Jarcevic believes to be a Russian initiative, envisions the introduction of sanctions against Croatia. The effects of the sanctions would be primarily for the sake of propaganda, since Croatia's neighbors would certainly violate any trade embargo, Jarcevic explained.

The second proposal, believed to be Croatia's own, envisions the reintroduction of the authority of the Republic of Croatia on the territory of the Republic of Serbian Krajina, and is totally unacceptable, Jarcevic said.

The Republic of Serbian Krajina delegation will put forward in New York its own proposal for the resolution, and will ask Vance and Owen to mediate in order to have that document placed on the Security Council agenda. Jarcevic said that this draft resolution envisions:

[Jarcevic] That the UNPROFOR [United Nations Protection Force] mandate is changed, that it pulls out from inside our territory and is placed along the border to separate the two countries, the two national communities, as it does in Cyprus. Otherwise, there will never be peace in the region. Also, the Croatian Army has to pull out and be demilitarized, returned to the peacetime level, and then negotiations between the countries can start.

[Vidic] Reports will be presented in New York on Croatia's persecution of Serbs who have remained on its territory. Replying to reporters' questions, Hadzic reiterated that the withdrawal of UNPROFOR would cause a flare-up in the war, which would soon spread in the region.

Krajina Representatives Leave for New York

LD1502105793 Belgrade TANJUG Domestic Service in Serbo-Croatian 1005 GMT 15 Feb 93

[Excerpt] Belgrade, 15 Feb (TANJUG)—A delegation of the Republic of Serb Krajina [RSK] left Belgrade for New York this morning to attend a meeting with Cyrus Vance and David Owen, cochairmen of the peace conference on former Yugoslavia, the RSK Belgrade office has confirmed.

The delegation is headed by RSK President Goran Hadzic, and it also includes Assembly President Mile Paspalj and Foreign Minister Slobodan Jarcevic.

Before leaving for New York, the RSK delegation did not exclude the possibility of holding talks with representatives of the present Republic of Croatia—under certain

conditions. The conditions are stated in a draft resolution which they have taken with them and which they are planning to present to the UN Security Council via Vance and Owen.

As President Hadzic revealed yesterday, the first condition is that Croatia halt the aggression against the RSK which it began on 22 January, and withdraw its forces to 10 kilometers behind the demarcation line which was drawn before the clashes.

The draft resolution proposes that the Security Council adopt the conclusion that peace cannot be restored if Croatia abides by its program of annexing Serb areas. Another condition for talks is to disarm Croatian forces and reduce, to a peacetime level, and that the UN protection forces leave the central RSK and deploy along the border line in order to preserve peace.

This is the fifth time that RSK representatives are active on the international scene, and their first official appearance at Vance and Owen's invitation. Yugoslav and Serb political circles see this as indirect recognition of the Serb political entity and the realization that the crisis in the former republic of Croatia cannot be solved unless the problem of the Serbs is solved. [passage omitted]

Croatian Army in Control of 'Liberated' Territory

LD1502172593 Zagreb Radio Croatia Network in Serbo-Croatian 1600 GMT 15 Feb 93

[Report by correspondent Bozidar Klaric from Zadar]

[Text] A general alert was sounded in Zadar at 1450 due to an artillery attack on the town.

Having attacked positions held by Croatian Army in the Zadar-Biograd area today, the enemy fired several shells on city quarters a few minutes before the alert was sounded. As a result of this, citizens of Zadar were forced to their shelters.

No shells are falling now on Zadar, but strong detonations coming from the hinterland can be heard in the city. Serb paramilitary units are still attacking our positions on almost the entire Zadar battleground, which has been pounded since early this morning. The Novigrad sector of the battleground is the most frequent target of Serb artillery. The aggressor is pounding Novigrad, Paljuv, and Pridraga from (?Biljani), Karin, and Debelo Brdo hill. Chetniks are attacking (?Vinterinci) from (?Nadin), Smokivic and Zemunik Donji from Zemunik Donji, and [words indistinct] in the Biograd hinterland from [word indistinct]. One woman was seriously wounded during this attack.

The Croatian Army was forced to return fire, and all enemy attacks were repelled. Croatia's defenders are firmly in control of the liberated territory.

Serbs Say Croatian Army Withdrawn From Novigrad

LD1302212293 Belgrade TANJUG Domestic Service in Serbo-Croatian 2007 GMT 13 Feb 93

[Text] Knin, 13 Feb (TANJUG)—After four days of fierce and bloody fighting for Novigrad (northeast of Zadar), sometimes even hand-to-hand combat, Croatian forces have this evening withdrawn from that little town, in flames and wrapped in smoke, a TANJUG correspondent has learned from sources close to the Republic of Serb Krajina (RSK) Army command.

According to sources, the Serbian forces are at the approaches to the town. Croatian forces are still active in the Novigrad region, and are shelling aimlessly, so they sometimes pound their own positions with multiple rocket launchers. Military sources in Knin interpret this as the disorganization of the artillery system in the Croatian Army.

A 150-strong Croatian Army group ran into an RSK Army ambush in the Zadar hinterland in the North Dalmatian section of the battlefield. The unit was swept away.

According to the same source, civilians are leaving en masse the Croatian coastal towns of Sibenik, Biograd na Moru, Vodice, and Zadar for the islands. The same source says that only the Army remains in these towns, and plundering groups have taken control.

Serbs Report Croat Offensive on UN Areas

LD1402163093 Belgrade TANJUG in English 1516 GMT 14 Feb 93

["Pool" item]

[Text] Knin, February 14 (TANJUG)—Fierce and ceaseless artillery duels are being fought between the Croatian Army and the Republic of Serbian Krajina army, with occasional hand to hand combat on Sunday [14 February] in the north Dalmatian battlefield, in the U.N. Protected Areas (UNPA), said the Republic of Serbian Krajina Army General Staff.

Battles are being waged along the directions Rovanjska-Maslenica-Obrovac and Posedarje-Novigrad.

There was very intense fighting on Saturday night in the wider area of Novigrad which is in flames since last night, according to Krajina forces' information.

"A Croatian Army company and a tank were destroyed" in the battles, said a Republic of Serbian Krajina Army General Staff statement.

During battles in the Biograd hinterland in the direction of Benkovac, an artillery-tank attack was launched on Saturday afternoon against positions of the defenders who are successfully holding the frontline, said the same source.

There was fighting and provocations by Croatian forces in other sectors of the north Dalmatian battlefield. Artillery pounded Otisic in the [word indistinct] area of the Peruca hydro-electric power plant, Velika Glava in the Skradina hinterland and Trbovunj in the broad [word indistinct] of Drnis.

The Republic of Serbian Krajina Army General Staff point to the constant concentrating and bringing in of fresh Croatian forces to the Zadar and Biograd hinterlands and south of Drnis in the direction of Konjevrate-Pakovo Selo.

There were Croatian provocations in other outlying areas of the Republic of Serbian Krajina, especially in eastern Slavonia and Kordun.

The Republic of Serbian Krajina Army General Staff statement and documents found on dead Croatian soldiers, show that fresh forces are being mobilized in Croatia, especially in Zagreb and Vinkovci in order to fill up the 109 and 150 Croatian Army brigades.

"It can be claimed with certainty that Croatia is mobilizing 15-year olds," said the Republic of Serbian Krajina Army General Staff statement in conclusion.

On January 22, Croatia launched an aggression against Republic of Serbian Krajina territory (an UNPA), and in spite of a Security Council resolution and several warnings to withdraw its troops to initial positions, the offensive is being continued. In the defence of territory, Krajina fighters have moved the frontline.

Commentary Hopes Clinton Plan Applies to Croatia

AU1602090393 Zagreb VECERNJI LIST in Serbo-Croatian 10 Feb 93 p 15

[Commentary by Vladimir Gross: "'Clinton Doctrine' for Croatia"]

[Text] Washington—Since the U.S. press reported on 8 February that the negotiations on Bosnia had failed, it is worth looking at the statement Bosnian Foreign Minister Haris Silajdzic made recently before the Helsinki Commission of the U.S. Congress. Not so much for the sake of Bosnia but of Croatia.

Minister Silajdzic made his statement on 4 February. Before the commission, honorably presided over by Arizona Senator Dennis DeConcini, which already during the war in Croatia had shown much understanding for democratic forces, Mr. Silajdzic eloquently described the weakness and ineffectiveness of the international community. Not a single resolution has been carried out, the aggression and ethnic cleansing are continuing, and the victims of the aggression have to share the table with war criminals. And, finally, the Vance plan proposes the overthrow of the democratically elected authorities and their replacement by a new political body in which both the aggressor and all the other parties to the conflict will be equally represented.

Silajdzic called upon the U.S. not to accept a plan that would only lead to further conflicts, and made nine concrete proposals. Six could very easily be applied to Croatia: not to accept the occupation of territories by force, to enable refugees to return home, to prevent that the "cleansed" zones remaining in the hands of the aggressor, to establish war crimes tribunals, to implement all UN resolutions (this means the strict and prompt implementation of the Vance plan in Croatia), and to lift the arms embargo.

Up to now, President Clinton has shown commendable determination in refusing to support the Vance-Owen peace plan. Although there will ultimately be some kind of compromise in the form of a U.S.-Russian initiative, in their relatively meager statements, the officials of the new administration use words that are close to those used by Minister Silajdzic. We can therefore expect that Clinton's plan will really require that the aggressor not be rewarded, but condemned and the victims be enabled to defend themselves.

If our expectations are realized, the main aim of Croatian diplomacy will become the application of the "Clinton doctrine" to Croatia. This should not be too difficult a task. Although the "Clinton doctrine" is being created for the case of Bosnia, it will surely determine Clinton's foreign policy in general. Speaking about his enormous domestic problems on 6 February, he said he intended to systematically carry out his ideas, even though it might reduce his chances of reelection in 1996. If Clinton intends to adhere to his principals on the politically important battlefield of U.S. affairs—above all regarding the deficit—we hope it will also be his guiding principle in the much less "dangerous" field of foreign policy. We should remember Silajdzic's words, because they might be useful when politics and media interest is again focused on Croatia.

Clinton's 'New Pragmatism' on Bosnia Viewed

AU1202184893 Ljubljana Radio Slovenia Network in Slovene 1430 GMT 11 Feb 93

[Commentary by Edo Zitnik]

[Text] Essentially, Clinton's six points for solving the crisis in Bosnia-Hercegovina differ from his pre-electoral rhetoric on the topic. The latter was more radical than Bush's and, although there was some mention of this or the other kind of use of military force in the Balkans, it did not resort to ambiguous formulations [words indistinct]. The U.S. inclusion of the Vance-Owen negotiation process is, therefore, above all the expression of the American political reality. This reality says that just because there is a crisis in the Balkans, whoever is sitting in the White House should not start military actions that are, objectively speaking, risky and may not only have grave internal, political consequences, but also puts at stake the strategically important Washington-Moscow-Brussels triangle.

By agreeing to the Geneva peace blueprint, the White House undoubtedly cancels its threat of some kind of military intervention in Bosnia-Hercegovina. By doing so, it has lost the only trump card that one could possibly use to demand from the Serbian side a minimum compromise, and has essentially agreed to the policy of fait accompli.

By accepting the Vance-Owen blueprint, the Clinton administration at the same time admits that Bosnia-Hercegovina no longer exists as a state and that the standing ovations for its admission into the United Nations were only a great illusion. With an American negotiator joining the Geneva peace process, the Muslim side will probably acquire some territorial concessions for itself, but would in return remain without its state and, what is even more important, without the American green light for arms imports.

The long-awaited stands of the Clinton administration on Bosnia- Hercegovina are, therefore, nothing but a logical consequence of the new pragmatism on the part of the White House which, unlike President Bush, above all—regardless of the sordid details—wants to put a stop to the Bosnia-Hercegovina crisis as soon as possible.

Figures Show Rise in Exports for 1992

LD1202094093 Belgrade TANJUG Domestic Service in Serbo-Croatian 0123 GMT 12 Feb 93

[Text] Ljubljana, 12 Feb (TANJUG)—Slovenia exported goods totalling $4.18 billion last year, and imported goods totalling $1.14 billion, the Slovene Statistics Bureau revealed.

Slovenia exported most to Germany ($1.19 billion), Croatia ($891 million) and Italy ($732). Exports to Italy however fell by 1.2 percent in 1992 compared with 1991.

Before sanctions were introduced against the FRY, Slovenia exported goods to the FRY totalling $385 million. Slovenia exported $281 million worth of goods to Austria in 1992.

Although Slovenia's export balance was up by 8 percent in 1992 compared with 1991, the republic has been recording a considerable drop in exports in the past few months. For instance, Slovenia exported $403 million worth of goods last September and only $329 million in December, which is a 20 percent drop.

Slovenia recorded the largest drop in exports with republics of the former SFRY, which amounted to only 20 percent of the value of Slovenia's exports in 1992.

Six National Party Members Leave Caucus

AU1002185793 Ljubljana DELO in Slovene 28 Jan 93 p 1

[Report by V. V.: "Jelincic Loses Six Deputies]

[Text] Ljubljana, 27 Jan—The crisis in the National Party has obviously reached its peak. This evening, five deputies of the Slovene National Party, chaired by Zmago Jelincic, have left the party caucus headed by Jelincic. There used to be 12 deputies in the caucus, but as of today there are only six left.

The following deputies have left the caucus: Irena Oman, Saso Lap, Stefan Matus, Brane Erzen, and Marjan Poljsak. Deputy Marjan Stanic was expelled earlier by Jelincic himself because he did not agree with his views. Among other things, the disagreement involved the question of how to vote about the proposed prime minister designate, Janez Drnovsek. Deputies who left Jelincic's caucus last night said at the news conference that they are going to remain members of the Slovene National Party and out that they will keep their promises to the voters. They said that they are going to advocate the interests of party membership and voters in the State Chamber. They demand that an extraordinary congress of the Slovene National Party be convened at which all current problems can be settled.

Federal

Cosic: War for 'Extinction' of Serbs Being Waged

LD1502185793 Belgrade TANJUG in English 1803 GMT 15 Feb 93

["Pool" item]

[Text] Belgrade, Feb 15 (TANJUG)—Yugoslav President Dobrica Cosic said on Monday [15 February] an all-out war was being waged for the physical and spiritual extinction of the Serbs, adding that the accusations about thousands of Moslem women allegedly raped by Serbs belonged to a spiritual genocide of the Serbs.

The Western media are conducting a fierce propaganda campaign, by arbitrarily accusing the Bosnian Serbs of having raped 40,000 Moslem women in the former Bosnia-Hercegovina and thus premeditatedly begat the "devil's children" which is how the Moslems call children born of a Moslem mother and Christian father.

During a meeting with the Yugoslav delegation, which will attend a rape debate at the European parliament in Brussels on February 18, Cosic accused the Western media of "slanders" and appealed to the delegation members to use facts and statistics to help the truth become known in the world.

Cosic's special adviser Svetozar Stojanovic said the "accusations against the Serbs are part of a great anti-Serb, racist campaign."

"In the West, those who accuse must provide evidence. But, this does not apply when the Serbs are concerned. We have been made to prove that the accusations against us are false," said Stojanovic.

Biljana Plavsic, a delegation member and one of the Bosnian Serb leaders, described as "totally groundless" the allegations in the Western media that the raping was the strategy of Serb troops.

"A Serb soldier has never been involved in such methods, and the historians can prove this," she said.

Ema Miljkovic, an Islamist and member of the delegation, said the testimonies of the allegedly raped Moslem women indicated a well-instructed scenario. These women, she added, always specified the formations to which those who raped them belonged. Miljkovic said this was "fairly unusual due to similarity of uniforms."

Ljubica Toholj, a doctor, said the rape stories were part of a "special war" against the Serbs. She said the delegation should ask the European parliament to set up an international committee of experts to investigate the case.

Cosic Blames Croatia for Peace Plan Failure

AU1602141893 Budapest NEPSZABADSAG in Hungarian 13 Feb 93 p 7

[Article by Endre Aczel: "From Kadar to Tudjman—The Confessions of a Serbian Patriot—Two Hours With Dobrica Cosic, President of Yugoslavia"]

[Excerpts] [passage omitted] Cosic is obviously aware of the fact that the current fears of the Hungarians in the Vojvodina are connected to the politics of the Milosevic [Serbian president] leadership. I remind him of this. He does not bend.

"The Democratic Union of Vojvodina Hungarians [VMDK] has developed its resistance against the Milosevic regime into a national issue. This is a tragic mistake. I would say that this is opposition hidden under a national disguise. Rather than turning the national minority issue into a problem of democracy, the VMDK acted in precisely the opposite way by turning the problem of democracy into a national minority issue."

The president claims he is at a loss as regards the desire of the Hungarians for "dual autonomy"—for the Vojvodina (which was stopped by Milosevic) and for their own autonomy within it. He states most firmly that there will not be a return to the "old type" of autonomy in the Vojvodina because that effectively excluded Serbia from dealing with the affairs of the Vojvodina, which has a Serbian majority. However, "we are open and ready to fulfill every demand that is in accordance with the UN declaration of human rights, the Helsinki basic document, and with any other international convention." He refuses to expound whether he actually supports any kind of Hungarian demands for autonomy. He obviously feels that, as a good democrat, he only needs to speak up against acts committed in violation of human rights and needs to defend the victims of these kinds of cases. [passage omitted]

He says that rather than the community of nations, it is only "certain powers and interests" that oppose Yugoslavia or Serbia. These must actually be or must have been quite powerful, because he also says that "the EC and the United States have made fatal mistakes in the Yugoslav crisis—they openly supported the disintegration of the country, thus actually giving the signal for open war."

However, in his view, through the Vance-Owen plan (on settling the Bosnian situation), the turn of events that he had urged finally took place. At least to a certain degree. The ominous [word as published] plan "that is supported by the EC and Russia but not by the United States" actually reflects the recognition that "Bosnia-Hercegovina's war is an ethnic, religious, and civil war, rather than a case of Serbian aggression." [passage omitted]

Aggression exists, of course, but it is Croatian, rather than Serbian. The recent Croatian attack on some towns of the "Serb Republic of Krajina" rekindled Serbian national

feelings. Although this "republic" lies in Croatian territory, the Serbs felt all their views on the intentions and politics of [Croatian] President Tudjman were justified even in retrospect. Now it is he who wants war instead of peace. Especially since he said that, in addition to Krajina, the Croatians will also liberate Slavonia and Baranja (also occupied by Serbs). In Cosic's view, Croatia "tore up the Vance-Owen plan" through this.

At this point, the president is stiff, even threatening. As (one of) the commanders of the armed forces, he says: "Should the aggression extend to Slavonia and Baranja, if the Croatians open a new theater of war here, then I cannot guarantee that the Yugoslav Federal Republic will stand idly by and not be forced to take up arms to protect its territorial integrity."

Cosic also refers to us here. He somehow makes us understand that the "extension of aggression" would also endanger Hungary as it borders Slavonia and Baranja. Although, he is quite certain that Hungary has a different view on this—to put it mildly. [passage omitted]

Cosic urges "long-term, peaceful, and democratic solutions to settle the extremely complicated national minority and territorial problems in southeast Europe and the Soviet Union," and in his view, these would have a future if "President Tudjman did not choose war and armed violence." In Cosic's view, it would be a peaceful and democratic solution if the Serbs in Croatia were given rights to self-determination and "they could decide in what kind of state they would like to live."

It is not difficult to decide now in what kind. This would involve border changes. Let us then show our hands.

Are you in favor of changing borders, I ask him. The answer is: "The Yugoslav Federal Republic and the Serbian people do not want forceful border changes." "The Krajina Serbs have to decide themselves—peacefully and democratically—whether their republic should be kept or not." The president "does not know" whether the Serbian Krajina will continue to exist." [passage omitted]

Cosic Heralds 'New Balkan Initiative' in Romania

LD1502135793 Belgrade TANJUG in English 1320 GMT 15 Feb 93

[Text] Bucharest, February 15 (TANJUG)—Prior to Yugoslav President Dobrica Cosic's visit to Romania on February 20, observers in Bucharest assess that Romania has suddenly become the centre of a new Balkan initiative for settling the crisis in former Yugoslavia.

Cosic's visit was announced on Monday [15 February] both in Belgrade and Bucharest.

The Romanian foreign ministry spokesman said that the Yugoslav president would meet in Bucharest with Romanian President Ion Iliescu but declined to reveal the subjects to be discussed and other details.

After the latest meeting with Greek Foreign Minister Michalis Papakonstandinou in Bucharest on Sunday, Romanian Foreign Minister Teodor Melescanu said that high officials from other Balkan countries would meet in the Romanian capital this week to discuss a political settlement of the Yugoslav crisis.

Turkish and Greek foreign ministers Hikmet Cetin and Papakonstandinou also visited Bucharest last week.

Well-informed sources in Bucharest say that all countries in the region have agreed that Romania should take the lead in the Balkan initiative for settling the Bosnia-Hercegovina crisis.

Djukic Complains to UN on Muslim 'Aggression'

LD1402123793 Belgrade TANJUG in English 1141 GMT 14 Feb 93

[Text] New York, February 14 (TANJUG)—Yugoslav Foreign Minister Ilija Djukic has urged the U.N. Security Council to check the aggression carried out against the Federal Republic of Yugoslavia by Muslim forces from the war-torn Bosnia-Hercegovina and to punish the aggressor.

In a letter sent to Security Council president for the month of February, Moroccan Ambassador Ahmed Senoussi, Djukic said that Muslim forces staged artillery attacks from Bosnia-Hercegovina territory on the Yugoslav towns of Bajina Basta, Mali Zvornik and Banja Koviljaca on February 9 and 10.

The attacks were launched across the River Drina, which divides Yugoslavia and Bosnia-Hercegovina. Bosnia-Hercegovina has for over ten months been torn by a fierce ethnic war between local Serbs, Croats and Muslims.

Djukic informed the Security Council president that the attacks caused casualties and destruction.

The Yugoslav foreign minister said the attacks followed a series of similar such assaults by Muslim forces from across the River Drina, in connection with which he said Yugoslav President Dobrica Cosic and he, himself, had lodged protests with the U.N. Security Council.

Djukic said the attacks were an attempt of the forces of Bosnia-Hercegovina Muslims to draw Yugoslavia into the civil and religious war in Bosnia-Hercegovina.

Foreign Minister Urges Lifting of UN Sanctions

LD1202131293 Belgrade TANJUG in English 1233 GMT 12 Feb 93

["Pool" item]

[Text] New York, Feb 12 (TANJUG)—Yugoslav Foreign Minister Ilija Djukic on Friday [12 February] said he hoped that the time had come to ease the sanctions imposed against the Federal Republic of Yugoslavia (F.R.Y) May 30 last year by the United Nations Security Council.

The conviction grows in the U.N. that work on easing the sanctions should begin, Djukic told journalists on Friday.

Djukic positively assessed the U.S. call for equal talks of the three warring factions in the Bosnian war—the Serbs, Croats and Moslems.

Djukic, however, qualified as unacceptable part of U.S. State Secretary Warren Christopher's Wednesday statement, in which he blamed Serbia and the F.R.Y. for the war in Bosnia-Hercegovina.

The U.N. Security Council introduced sanctions against the F.R.Y attaching to it the greatest share of responsibility for the Bosnian war, although the Yugoslav Army had withdrawn from Bosnia on May 19 last year and has not taken part in the fighting there since.

"As regards threats of tightening sanctions, we find them surprising, disturbing and even discouraging", Djukic said.

Djukic reminded the journalists of the initiative Serbia launched last May—that the United States and the Soviet Union directly involve themselves in the resolution of the Bosnian crisis.

"If that had been done, many things would be different today," Djukic said.

Khasbulatov Congratulates Assembly Speakers

LD1202140293 Belgrade TANJUG Domestic Service in Serbo-Croatian 1142 GMT 12 Feb 93

[Text] Belgrade, 12 Feb (TANJUG)—Ruslan Khasbulatov, chairman of the Russian Federation Supreme Soviet, has congratulated Radoman Bozovic and Milos Radulovic, chairmen of the Chamber of Citizens and the Chamber of Republics of the Yugoslav Assembly, on their election to the posts, the Assembly's information service reveals.

Apart from wishing them successful work in their responsible posts, Khasbulatov stressed in the message of congratulations his conviction that deputies of the Federal Assembly will—as part of their duties—contribute to a peaceful resolution of the Yugoslav crisis.

Serbia

Milosevic Receives Russian Delegation

LD1202160693 Belgrade TANJUG Domestic Service in Serbo-Croatian 1439 GMT 12 Feb 93

[Text] Belgrade, 12 Feb (TANJUG)—Serbia and its citizens expect that in line with its responsibility for the interests of the Slavic nations, Russia will reject unfounded accusations against the Serbian people and will oppose the continued pressure against Serbia from positions of power and for the same reasons for which former Yugoslavia was broken up.

This was stressed by Slobodan Milosevic, president of the Republic of Serbia, in the course of today's talks with a Russian Supreme Soviet delegation which expressed the conviction that the Russian parliament will soon lift the one-sided embargo against Serbia.

The following is a statement issued from the talks between Milosevic and the Russian parliamentarians:

"Slobodan Milosevic, president of the Republic of Serbia, today received a delegation of the Russian parliament, which is visiting the Republic of Serbia, and had very open and cordial talks with it.

"Views were exchanged about the current situation on Yugoslav territories and about the need to strengthen mutual relations and cooperation between Serbia and Russia.

"The guests from Russia conveyed greetings of the Russian parliament and people to President Milosevic and to the Serbian people, and briefed him about a letter from Russian people's deputies to the Supreme Soviet demanding the lifting of the unjust blockade against Serbia and expressing the hope that this will give a positive impulse to resolving the complex situation on this soil.

"President Milosevic voiced the hope that, proceeding from the factual situation and from its own conscience, the Russian parliament will decide to lift the sanctions against Serbia and the Federal Republic of Yugoslavia and thus end Russia's participation in unjust and genocidal measures against the Serbian people. Such a decision will contribute to the affirmation of the principle of equality among states and nations.

"Serbia and its citizens expect that in line with its responsibility for the interests of the Slavic nations, Russia will reject the unfounded accusations against the Serbian people and oppose the continued pressure on Serbia from positions of power—the same reasons for which former Yugoslavia was broken up.

"Members of the Supreme Soviet of the Russian Federation expressed the conviction that the Russian parliament will soon lift the one-sided sanctions against Serbia, that is, the FRY.

"Serbian Foreign Minister Vladislav Jovanovic took part in the talks."

Delegation Head Issues Statement

AU1202161193 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 12 Feb 93

[Statement by Sergey Nikolayevich Andropov, head of the Russian parliamentary delegation, in Belgrade on 12 February—recorded, Andropov speaks in Russian with passage-by-passage Serbo-Croatian translation]

[Text] I will say the following: We now fully understand what is happening in your country, in Serbia, and new

Yugoslavia. This was not difficult to understand. We had many meetings. One of the most important was the meeting yesterday with our soldiers who are part of the UN contingent. They, one could say, helped us to correctly understand everything that is happening. They told us that Serbia and Yugoslavia are not participating in any current armed operations on the territory of the former Yugoslavia, and that it is in fact the Croatian side that is trying to provoke a response from the Yugoslav Army.

I do not think that the Russian Parliament has been correctly informed about what is happening in your country. Regarding the Russian Government, perhaps this government is implementing its own policy because the situation in our country is now very complicated. You know that in Russia there is a conflict between the executive and parliamentary power. As we have been informed, soon—today or tomorrow—the Russian Parliament will ask Foreign Minister Kozyrev to come for talks, and many issues will be resolved there. I personally hope that we will find appropriate solutions and that we will be able to ease the situation that the Serbian people have found themselves in.

I will most certainly brief the Parliament on everything I saw in your country.

New Government Places 'Priority' on 'Peace'

LD1502201993 Belgrade TANJUG in English 1928 GMT 15 Feb 93

[Text] Belgrade, Feb 15 (TANJUG)—The Serbian government's priority tasks should be peace preservation, economic revival and curbing crime, Serbian President Slobodan Milosevic said during his meeting with Serbia's new Prime Minister Nikola Sainovic and members of his cabinet on Monday [15 February].

Milosevic said he was confident that the government would be successful in drawing up and implementing a programme to overcome the economic crisis and a speedy economic revival. He stressed the need for strengthening of the legal order as a condition for the successful overcoming of economic hardships.

Milosevic urged efficient functioning of state institutions in implementing laws and increased responsibility at all levels, stressing that the new government should "declare war" on corruption and irresponsibility.

The need for synchronized work of the republic and the future Yugoslav governments, especially in the field of monetary policy, which is one of the key factors to curb hyperinflation, was also pointed out at the meeting.

Members of the cabinet expressed their determination to be efficient in the realization of the programme, which should strengthen the peacemaking policy of the Republic of Serbia and its efforts to end the crisis in the former Yugoslavia's region in a peaceful and just way.

Opposition Leaders Comment on U.S. Peace Plan

LD1302021393 Belgrade TANJUG in English 0011 GMT 13 Feb 93

["Pool" item]

[Text] Belgrade, February 12 (TANJUG)—Leader of the Democratic Party in the Yugoslav Republic of Serbia Dragoljub Micunovic said on Friday [12 February] that the U.S. plan for bringing peace to the former Yugoslav Republic of Bosnia-Hercegovina was positive because it favoured negotiations and insisted on a peaceful solution, although it was not clear how it would be made operational.

It is also not clear why the plan provides for further tightening of sanctions against the Federal Republic of Yugoslavia while at the same time pointing out its considerable cooperativeness in seeking a solution for the war in Bosnia-Hercegovina, Micunovic told a press conference.

Vuk Draskovic, leader of the Serbian Renewal Movement (SPO), one of Serbia's largest opposition parties, said he was basically satisfied with the U.S. six-point plan for Bosnia.

"I am pleased that a rational and wise approach has prevailed and that U.S. President Bill Clinton has opted for a moderate solution," he said at the press conference.

It is now important that U.S. and Russian soldiers should join United Nations peacekeeping troops in Bosnia-Hercegovina.

Macedonia

Albanian Party Protests 'Degrading' Position

AU1302205793 Tirana ATA in English 1845 GMT 13 Feb 93

["Presidency of the People's Democratic Party Sends a Memorandum to the UN Security Council: 'The Albanians in Macedonia Should Inherit State Forming Subjectivity'"—ATA headline]

[Text] Tirana, February 13 (ATA)—On February 11, the Presidency of the People's Democratic Party sent a memorandum to the UN Security Council, the European Community Council, and European parliament. Yugoslavia's dissolution, the memorandum says, created conditions for its former-republics to be constitutionalized as independent states, also including Macedonia, which is now constitutionalized as a national state of the Macedonian people alone, apparently degrading the position of the Albanian people, other national and ethnic groups in Macedonia. The three million Albanian people in former Yugoslavia, once separated from their motherland, the Albanian Republic, against their will, are again split into three new Slavian states (Serbia, Montenegro, and Macedonia) under the status of a

national minority, which in the Balkan conditions implies second class citizens. We remind you, the memorandum says, that this Albanian population is a constituent element of the Yugoslav Federation and of the Republic of Macedonia, which can be ascertained both by Yugoslavia's Constitution of 1974 and the Constitution of Macedonia of the same year.

The People's Democratic Party is of the opinion that prior to Macedonia's admission to the UN, a peaceful conference on former Yugoslavia should offer the constitutional solution to Macedonia or that a conference on Macedonia be held which will be attended by representatives of the neighbouring states and peoples living in Macedonia. This conference would reach an agreement guaranteeing and observing the territorial integrity of Macedonia, improving the inner international relations and definitively eliminating any kind of discrimination.

Kosovo

Democratic Alliance Chairman Hails U.S. Plan

LD1202115993 Belgrade TANJUG Domestic Service in Serbo-Croatian 1051 GMT 12 Feb 93

[Text] Pristina, 12 Feb (TANJUG)—Ibrahim Rugova, chairman of the Democratic Alliance of Kosovo, today hailed the latest U.S. Administration six-point plan, especially in regards to the Kosovo issue. President Clinton, according to Rugova, strongly supports a declaration by his predecessor, Bush, saying that a conflict in Kosovo will not be permitted.

Speaking at a news conference in Pristina today, Rugova paid special attention to the emigration of Albanians from Yugoslavia, which he termed ethnic cleansing. Replying to a question on what he "thinks of numerous agencies, whose owners are Albanians, who take their compatriots away from Kosovo," Rugova said that many people are doing this dirty business. In this exodus a great deal of work is undertaken by such agencies wishing to make a profit despite our appeals not to do so. There are some serious agencies that are organized on the principle of small businesses, but there are many more that just wish to make quick profit out of the dirty business. Our estimate is that over the past three years more than 100,000 Albanians left Kosovo in that way, Rugova said.

It was announced at the news conference that talks with the Serbian and the Yugoslav authorities on education will be resumed 16 February, but it was said that the ethnic-Albanian delegation is going to them with much less optimism than to those in Geneva.

Albanian Leader Urges Dispatch of UN Troops

AU1202162393 Tirana ATA in English 1129 GMT 12 Feb 93

[Text] Tirana, February 12 (ATA)—The Albanian People's Party centered in Pristina supports the demand of the President of the Republic of Kosovo Dr. Ibrahim Rugova and the Government of Kosovo to pass the question of Kosovo to the UN Security Council for solution, the chairman of this party Milaim Kadriu said at a regular press conference. Also present were many members of this party leadership. Mr. Kadriu severely denounced the police expeditions towards the Albanian population, especially in Dukagjin, allegedly in the name of arms searches. He said this action is carried out to frighten the Albanian population in the vicinity of the present border with Albania and Kosovo, which in reality divides only Albanian territories.

The Albanian People's Party of Kosovo supported the preparations for the creation of the Assembly of Kosovo, Milan Kadriu said, which, in the actual circumstances, are considered favourable in regard to the recognition of the will of the people expressed in the last May's elections.

The chairman of the Albanian People's Party of Kosovo also spoke of the failure of the Geneva conference and voiced his opinion that it is a consequence of the Serbian national-chauvinistic and imperialist stands for Great Serbia. At the same time efforts are being made to deny and eliminate the identity, culture, language, history, and geographical area of the others, the Albanians included.

It is indispensable, he said, that UN troops be immediately installed in Kosovo in order to prevent the possible spread of a conflict and massacre of great proportions in Kosovo and in the Balkans. Milaim Kadriu also voiced the request of the Albanian People's Party that all schools, at all level, so far occupied by the Serbian police-military power, be immediately evacuated.

At the end, the commitment of the international community for the creation of the war crimes tribunal in former Yugoslavia was supported in the conference.